

PORTSMOUTH CITY
SCHOOL BOARD
BUDGET
Fiscal Year
2013-2014

Adopted May 23, 2013

a.pagano

<http://www.pps.k12.va.us>

801 Crawford Street - Portsmouth, VA 23704
P.O. Box 998 - Portsmouth, VA 23705-0998

PORTSMOUTH CITY SCHOOL BOARD

Budget for FY 2013-14

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Association of School Business Officials International



This Meritorious Budget Award is presented to

PORTSMOUTH CITY PUBLIC SCHOOLS

*For excellence in the preparation and issuance of its school entity's budget
for the Fiscal Year 2012-2013.*

The budget adheres to the principles and standards
of ASBO International's Meritorious Budget Award criteria.



A handwritten signature in black ink, reading "Brian L. Mee".

Brian L. Mee, SFO, RSBA
President

A handwritten signature in black ink, reading "John D. Musso".

John D. Musso, CAE, RSBA
Executive Director

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Introductory Section

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PORTSMOUTH CITY SCHOOL BOARD

Budget for Fiscal Year 2013-14

Executive Summary



City of Portsmouth, Virginia

Portsmouth's small-town atmosphere is a pleasant contrast to its metropolitan Hampton Roads location. Tree-lined streets lead toward the picturesque downtown waterfront – the center of the city's many activities, and its heart.

The City of Portsmouth was settled in 1752 and incorporated by the Virginia General Assembly in 1858. Over 250 years old, the city is home to one of the world's greatest natural harbors, situated on the James and Elizabeth Rivers, which empties into the Chesapeake Bay. Portsmouth, with a land area of approximately 30 square miles and a population of 100,565 people is located in the hub of the Hampton Roads Region. It is bordered by the cities of Chesapeake and Suffolk respectively to the south and west, and by the City of Norfolk to the east.

With 75.8 miles of shoreline at the zero milepost of the Intercoastal Waterway, which runs from Boston to Florida, Portsmouth's location on navigable waterways has been a dominant force in the City's history and economy. Its location on the over 40 feet deep Hampton Roads shipping channel, and the presence of both the CSX and Norfolk Southern Railroads supports the national and international port commerce activities and military presence in the region.

Portsmouth derives its governing authority from a charter granted by the General Assembly of the Commonwealth of Virginia. The governing body of the City is the City Council, which formulates policies for the administration of the City. The City's charter provides for a Council-Manager form of government.

City of Portsmouth Web Site, Data Profile



Mr. James E. Bridgeford
School Board Chairman
 Member of the School Board since 1990
 Current Term expires December 31, 2016
 Retired Systems Accountant and Federal Auditor

Portsmouth City School Board



Dr. Elizabeth Daniels
School Board Vice-Chair
 Member since 1996
 Current Term expires December 31, 2016
 Former Educator, Medical Chemist, Retired Dentist



Rev. Joseph A. Fleming
 Member since July 2012
 Current Term expires
 December 31, 2014
 Former Teacher,
 currently an Assistant
 Pastor



Mr. James M. Hewitt IV
 Member since 2006
 Current Term expires
 December 31, 2014
 Federal Employee
 Board Member resigned
 June 30, 2013



Mr. Ted J. Lamb
 Member since 2013
 Current term expires
 December 31, 2016
 Career Educator



Mr. Brian K. Nance, Sr.
 Member since 2009
 Current Term expires
 December 31, 2016
 Consultant



Mr. Claude C. Parent
 Member since 2010
 Current Term expires
 December 31, 2014
 Minister of Church
 Administration, Retired
 Educator



Dr. Mark M. Whitaker
 Member since 2002
 Current Term expires
 December 31, 2014
 Associate Professor,
 Assistant Pastor



Ms. Costella B. Williams
 Member since 2008
 Current Term expires
 December 31, 2016
 Supervisor and
 Community Volunteer

Superintendent's Cabinet

Dr. David C. Stuckwisch
Division Superintendent

Dr. Patricia H. Fisher
Deputy Superintendent

Dr. Margaret R. Buxton
Director of Human Resources

Mrs. Nita R. Mensia-Joseph
Director of Operations

Mr. Derrick A. Nottingham
Director of Research and Evaluation

Meera P. Phaltankar, CPA
Director of Budget and Finance

Mr. Dean M. Schlaepfer
Director of Information Technology

Mr. Joseph L. Wiggins
Executive Administrator to the Superintendent

MISSION & GOALS OF THE SCHOOL BOARD

The mission of the Portsmouth Public Schools is to challenge the minds, challenge the bodies, and challenge the dreams of all students while focusing on excellence.

The School Board adopted this Mission Statement in August 2007. To accomplish its mission, the School Board approved a Comprehensive Plan in December 2007 and revised it in December 2009. The plan covers the school years through 2017. Its six goals are listed below. They are the guiding principles used in making all decisions that affect the division, including the budget. The full text of the Comprehensive Plan, including measurable objectives for each goal, is available in a separate publication available on the Portsmouth Public Schools website, www.pps.k12.va.us. Click on the “About Us” tab and choose “School Board” from the drop-down list.

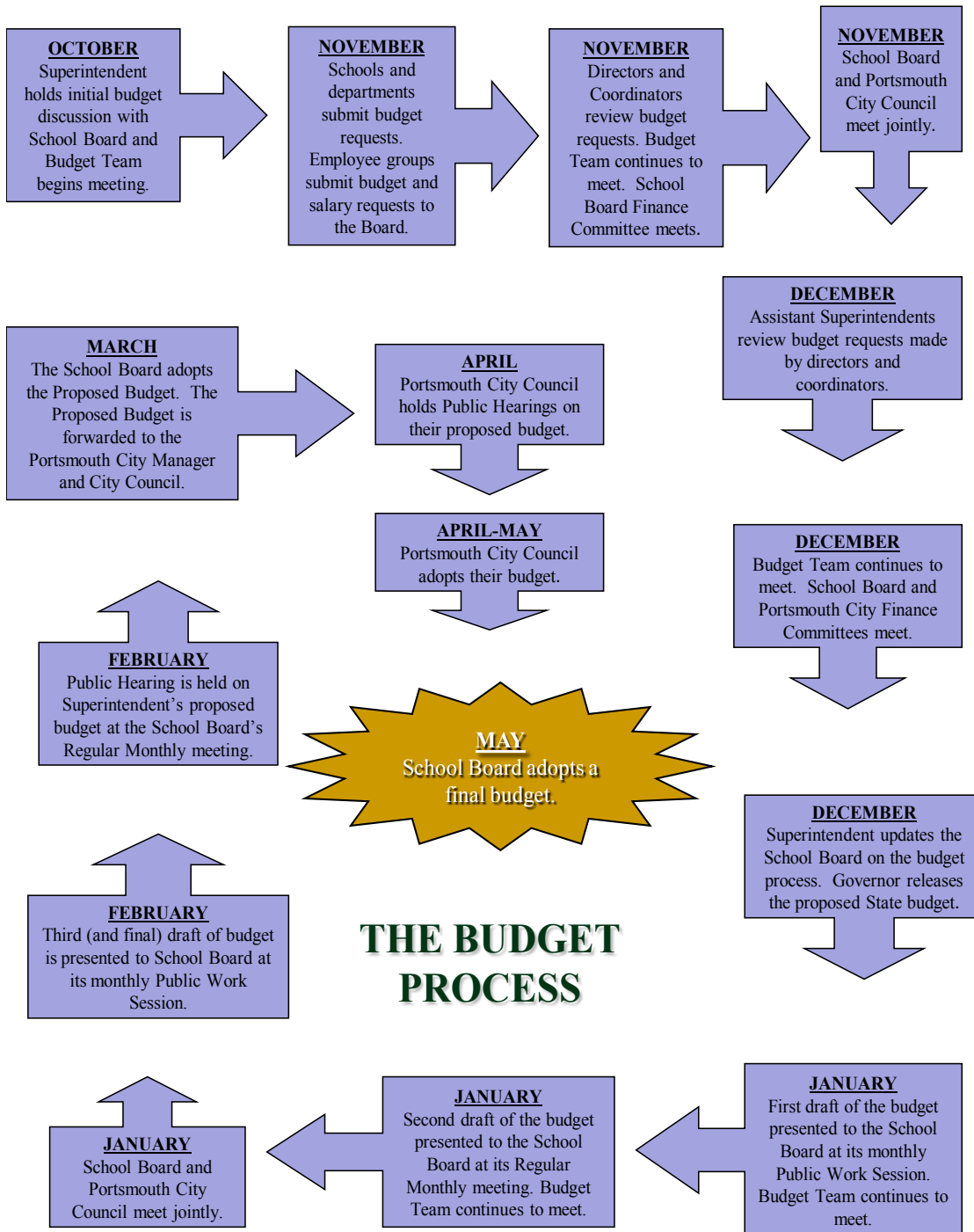
1. By 2017 the Portsmouth School Board will be a leading force for community advancement.
2. By 2017 all parents of Portsmouth Public School students will be excited about and claim ownership of their children’s education.
3. By 2017 all graduates of Portsmouth Public Schools will be highly sought after by both employers and institutions of higher learning.
4. By 2017 Portsmouth Public Schools will be recognized by educational organizations and institutions of higher learning for its innovative and effective programs.
5. By 2017 all Portsmouth Public Schools students will be socially responsible and respected as lights of inspiration for future generations.
6. By 2017, the Portsmouth City School Board will provide educational facilities – including technology – that contribute to the learning environment for students and provide safe and accessible facilities for students and staff.

THE BUDGET PROCESS

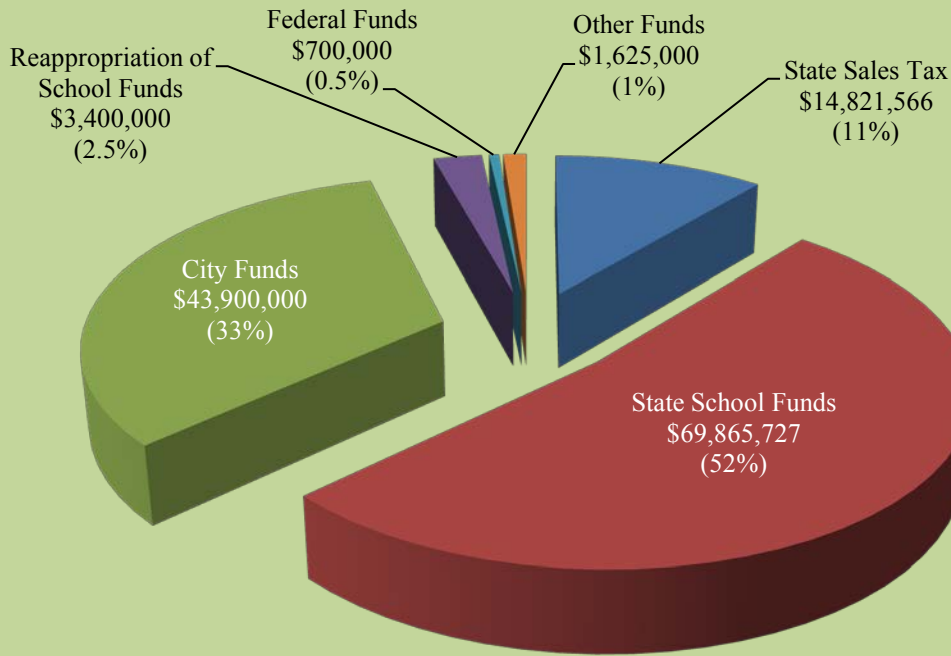
Developing a budget is a continuous process. The Budget and Finance office constantly monitors sources of revenue and factors that affect revenue in order to advise the Superintendent’s budget team. In the early fall, schools and departments submit their budget requests for the upcoming year. Employee groups submit requests related to salary and benefits directly to the School Board at a monthly meeting during the first semester. The finance committees of both the School Board and the City Council meet from time to time to advise each other about developments in the budget process for both bodies.

The Superintendent’s budget team meets throughout the school year to consider expense requirements and fluctuations in projected revenue. The team first identifies those items that are a “must-fund” priority for the division. Next, the Superintendent looks at enrollment and decides if any teaching and support positions should be eliminated or added. At this point, if anticipated revenue exceeds anticipated expenditures, the Superintendent, with School Board input, prioritizes additional projects or programs that could be funded for the upcoming school year in support of the goals outlined in the comprehensive Plan.

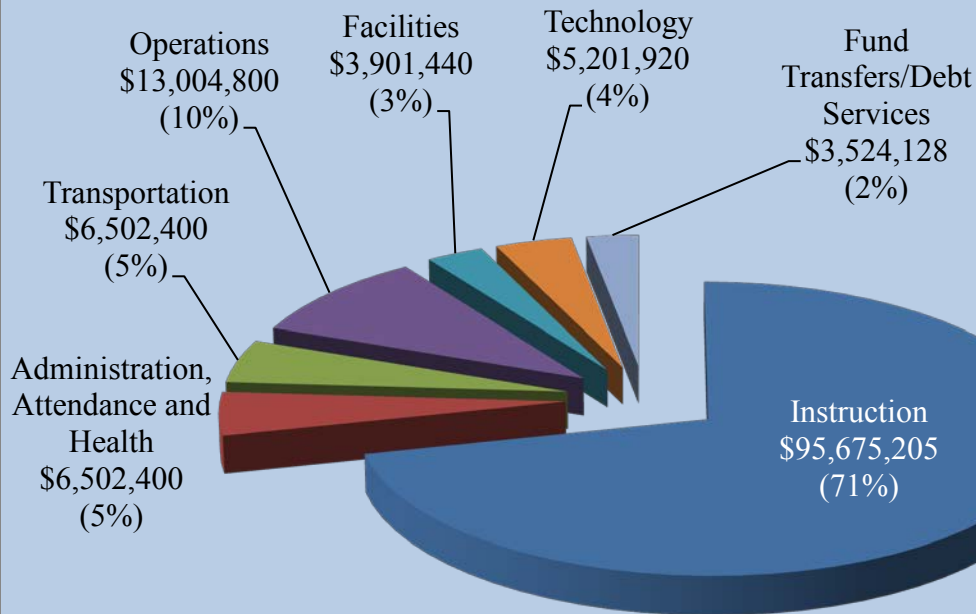
Again this school year, desired expenditures exceeded anticipated revenue. The Board felt that budgeting at least the same level of expenditures as in previous years was critical to maintaining the quality of the education provided to the students in Portsmouth. In addition, the School Board directed the Superintendent to return certain items that had been eliminated over the past few budget cycles as they felt the budget presented to the City Council should reflect the full needs of the division to continue to provide excellent education opportunities for its students. In addition, to meet the pupil-teacher ratio requirements of the Virginia Department of Education, additional teaching positions were needed.



REVENUE OVERVIEW



EXPENDITURES OVERVIEW



SCHOOL BOARD BUDGET

| <u>ALL FUNDS OVERVIEW</u> | | | | | |
|---|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| FUNDS | 2009-10 BUDGET | 2010-11 BUDGET | 2011-12 BUDGET | 2012-13 BUDGET | 2013-14 BUDGET |
| GENERAL FUND | 148,932,186 | 135,026,725 | 138,988,935 | 140,309,693 | 134,312,293 |
| REPROGRAPHICS FUND | 747,984 | 591,038 | 701,699 | 691,708 | 981,511 |
| CAFETERIA FUND | 7,149,610 | 6,884,101 | 7,156,803 | 7,604,000 | 8,220,504 |
| GRANTS FUND | 22,011,956 | 22,480,450 | 23,001,044 | 19,357,340 | 17,146,860 |
| RISK MANAGEMENT & INSURANCE FUND | 1,655,702 | 955,702 | 955,702 | 955,702 | 955,702 |
| TEXTBOOK FUND | 1,308,840 | 559,649 | 567,840 | 1,297,980 | 1,278,948 |
| GRAND TOTAL EXPENDITURES-ALL FUNDS | 181,806,278 | 166,497,665 | 171,372,023 | 170,216,423 | 162,895,818 |

| <u>GENERAL FUND</u> | | | | | |
|---|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| REVENUE CATEGORIES | 2009-10 BUDGET | 2010-11 BUDGET | 2011-12 BUDGET | 2012-13 BUDGET | 2013-14 BUDGET |
| CITY FUNDS | 48,171,651 | 48,171,651 | 49,571,413 | 48,871,532 | 43,900,000 |
| REAPPROPRIATION OF CONSTRUCTION FUND | - | - | - | 4,900,000 | - |
| REAPPROPRIATION OF CITY FUNDS | - | - | - | - | 3,400,000 |
| FEDERAL FUNDS | 660,000 | 700,000 | 700,000 | 700,000 | 700,000 |
| FEDERAL JOBS FUND | - | - | 3,062,208 | - | - |
| FEDERAL STIMULUS | 5,870,282 | 2,005,330 | - | - | - |
| OTHER FUNDS | 1,390,000 | 1,465,000 | 1,625,000 | 1,625,000 | 1,625,000 |
| REAPPROPRIATION OF RISK MANAGEMENT FUNDS | - | - | 2,100,000 | - | - |
| SALES TAX | 13,459,822 | 12,820,805 | 13,813,146 | 14,191,795 | 14,821,566 |
| STATE FUNDS | 79,380,431 | 69,863,939 | 68,117,168 | 70,021,366 | 69,865,727 |
| TOTAL GENERAL FUND REVENUE | 148,932,186 | 135,026,725 | 138,988,935 | 140,309,693 | 134,312,293 |
| EXPENDITURE CATEGORIES | 2009-10 BUDGET | 2010-11 BUDGET | 2011-12 BUDGET | 2012-13 BUDGET | 2013-14 BUDGET |
| INSTRUCTION | 107,507,167 | 99,536,310 | 102,594,601 | 102,938,963 | 95,675,205 |
| ADMINISTRATION, | | | | | |
| ATTENDANCE AND HEALTH | 7,065,679 | 7,365,577 | 6,779,432 | 7,019,793 | 6,502,400 |
| TRANSPORTATION | 7,371,453 | 5,799,037 | 7,330,554 | 7,052,134 | 6,502,400 |
| OPERATIONS | 16,220,415 | 14,835,273 | 14,983,058 | 15,391,200 | 13,004,800 |
| FACILITIES | 1,005,588 | 220,769 | 376,106 | 387,230 | 3,901,440 |
| TECHNOLOGY | 5,043,248 | 3,764,174 | 3,811,963 | 3,801,889 | 5,201,920 |
| FUND TRANSFERS | 4,718,636 | 3,505,585 | 3,113,221 | 3,718,484 | 3,524,128 |
| TOTAL GENERAL FUND EXPENDITURES | 148,932,186 | 135,026,725 | 138,988,935 | 140,309,693 | 134,312,293 |

REPROGRAPHICS FUND

| REVENUES | 2009-10 BUDGET | 2010-11 BUDGET | 2011-12 BUDGET | 2012-13 BUDGET | 2013-14 BUDGET |
|---|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| PORTSMOUTH PUBLIC SCHOOLS | 571,175 | 450,667 | 535,045 | 527,428 | 576,840 |
| CITY OF PORTSMOUTH | 33,331 | 114,661 | 136,130 | 134,191 | 146,763 |
| OTHER (OUTSIDE SOURCES) | 143,478 | 25,710 | 30,524 | 30,089 | 32,908 |
| PRIOR YEAR FUND BALANCE | - | - | - | - | 225,000 |
| TOTAL REPROGRAPHICS REVENUES | 747,984 | 591,038 | 701,699 | 691,708 | 981,511 |
| EXPENDITURES | 2009-10 BUDGET | 2010-11 BUDGET | 2011-12 BUDGET | 2012-13 BUDGET | 2013-14 BUDGET |
| SALARIES AND WAGES | 344,310 | 280,500 | 294,670 | 274,827 | 309,826 |
| FRINGE BENEFITS | 112,684 | 106,618 | 108,751 | 104,461 | 117,765 |
| SUPPLIES | 177,000 | 111,000 | 203,500 | 178,500 | 195,000 |
| LEASE/RENTAL | 103,840 | - | - | - | - |
| OTHER | 10,150 | 92,920 | 94,778 | 133,920 | 133,920 |
| CAPITAL OUTLAY | - | - | - | - | 225,000 |
| TOTAL REPROGRAPHICS EXPENDITURES | 747,984 | 591,038 | 701,699 | 691,708 | 981,511 |

SCHOOL CAFETERIA FUND

| REVENUES | 2009-10 BUDGET | 2010-11 BUDGET | 2011-12 BUDGET | 2012-13 BUDGET | 2013-14 BUDGET |
|---|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| FROM THE FEDERAL GOVERNMENT | 4,440,610 | 4,631,375 | 5,138,041 | 5,364,000 | 5,756,183 |
| FROM THE COMMONWEALTH | 118,000 | 100,000 | 100,000 | 125,000 | 125,000 |
| CHARGES FOR SERVICES | 1,681,000 | 1,396,726 | 1,286,001 | 1,280,000 | 1,220,000 |
| DONATED COMMODITIES | 400,000 | 280,000 | 293,278 | 400,000 | 400,000 |
| OTHER REVENUE | 510,000 | 476,000 | 339,483 | 435,000 | 719,321 |
| TOTAL SCHOOL CAFETERIA FUND REVENUES | 7,149,610 | 6,884,101 | 7,156,803 | 7,604,000 | 8,220,504 |
| EXPENDITURES | 2009-10 BUDGET | 2010-11 BUDGET | 2011-12 BUDGET | 2012-13 BUDGET | 2013-14 BUDGET |
| SALARIES AND WAGES | 2,150,548 | 2,240,000 | 1,843,450 | 2,094,796 | 2,442,791 |
| FRINGE BENEFITS | 1,313,000 | 1,000,000 | 1,455,881 | 1,584,204 | 1,262,723 |
| PURCHASE OF FOODS | 2,959,048 | 2,571,410 | 2,614,439 | 2,721,000 | 3,123,390 |
| DONATED COMMODITIES | 400,000 | 280,000 | 293,278 | 400,000 | 400,000 |
| OTHER | 327,014 | 792,691 | 949,755 | 804,000 | 991,600 |
| TOTAL SCHOOL CAFETERIA FUND EXPENDITURES | 7,149,610 | 6,884,101 | 7,156,803 | 7,604,000 | 8,220,504 |

SCHOOL GRANTS FUND

| <u>REVENUES</u> | <u>2009-10 BUDGET</u> | <u>2010-11 BUDGET</u> | <u>2011-12 BUDGET</u> | <u>2012-13 BUDGET</u> | <u>2013-14 BUDGET</u> |
|--|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| FEDERAL | 17,384,031 | 17,095,453 | 17,609,112 | 13,815,210 | 11,464,468 |
| STATE | 3,406,480 | 4,188,569 | 4,024,191 | 4,060,276 | 4,234,328 |
| OTHER | 65,874 | 250,654 | 253,983 | 213,119 | 198,889 |
| LOCAL MATCH | 1,155,571 | 945,774 | 1,113,758 | 1,268,735 | 1,249,175 |
| TOTAL SCHOOL GRANTS FUND REVENUES | 22,011,956 | 22,480,450 | 23,001,044 | 19,357,340 | 17,146,860 |
| | | | | | |
| <u>EXPENDITURES</u> | <u>2009-10 BUDGET</u> | <u>2010-11 BUDGET</u> | <u>2011-12 BUDGET</u> | <u>2012-13 BUDGET</u> | <u>2013-14 BUDGET</u> |
| INSTRUCTION | 18,528,430 | 19,180,172 | 19,371,567 | 15,771,069 | 14,254,930 |
| ADMIN/ATTENDANCE & HEALTH | 1,115,251 | 1,575,006 | 1,127,821 | 924,528 | 826,998 |
| OPERATIONS AND MAINTENANCE | 527,263 | 719,350 | 211,015 | 292,015 | 203,202 |
| TECHNOLOGY | 1,841,012 | 1,005,922 | 2,290,641 | 2,369,728 | 1,861,730 |
| TOTAL SCHOOL GRANTS FUND EXPENDITURES | 22,011,956 | 22,480,450 | 23,001,044 | 19,357,340 | 17,146,860 |

RISK MANAGEMENT & INSURANCE FUND

| <u>REVENUES</u> | <u>2009-10 BUDGET</u> | <u>2010-11 BUDGET</u> | <u>2011-12 BUDGET</u> | <u>2012-13 BUDGET</u> | <u>2013-14 BUDGET</u> |
|--|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| TRANSFERS IN | 1,655,702 | 955,702 | 955,702 | 955,702 | 955,702 |
| TOTAL RISK MGMT & INS FUND REVENUES | 1,655,702 | 955,702 | 955,702 | 955,702 | 955,702 |
| | | | | | |
| <u>EXPENDITURES</u> | <u>2009-10 BUDGET</u> | <u>2010-11 BUDGET</u> | <u>2011-12 BUDGET</u> | <u>2012-13 BUDGET</u> | <u>2013-14 BUDGET</u> |
| WORKMEN'S COMP INS PREMIUM | 196,541 | 225,639 | 225,639 | 225,639 | 225,639 |
| WORKMEN'S COMP & CLAIMS | 1,459,161 | 730,063 | 730,063 | 730,063 | 730,063 |
| TOTAL RISK MGMT & INS FUND EXPENDITURES | 1,655,702 | 955,702 | 955,702 | 955,702 | 955,702 |

TEXTBOOK FUND

| <u>REVENUES</u> | <u>2009-10 BUDGET</u> | <u>2010-11 BUDGET</u> | <u>2011-12 BUDGET</u> | <u>2012-13 BUDGET</u> | <u>2013-14 BUDGET</u> |
|---|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| STATE | 1,308,840 | 559,649 | 426,050 | 940,387 | 926,598 |
| LOCAL MATCH | - | - | 141,790 | 357,593 | 352,350 |
| TOTAL TEXTBOOK FUND REVENUES | 1,308,840 | 559,649 | 567,840 | 1,297,980 | 1,278,948 |
| | | | | | |
| <u>EXPENDITURES</u> | <u>2009-10 BUDGET</u> | <u>2010-11 BUDGET</u> | <u>2011-12 BUDGET</u> | <u>2012-13 BUDGET</u> | <u>2013-14 BUDGET</u> |
| TEXTBOOKS | 1,308,840 | 559,649 | 567,840 | 1,297,980 | 1,278,948 |
| TOTAL TEXTBOOK FUND EXPENDITURES | 1,308,840 | 559,649 | 567,840 | 1,297,980 | 1,278,948 |

SIGNIFICANT TRENDS AND CHANGES

Portsmouth Public Schools receives revenues from local (city), state, and federal sources. State and City funds are our two largest sources of revenue.

Our state monies are determined by our Average Daily Membership (ADM) and the local composite index. State sales tax revenues represent 1⅓% which is the educational component of the tax that is distributed to all school districts based upon the number of school-age children who reside in the division. State School Funds consist of the Standards of Quality (SOQ) payments, incentive funds, and categorical amounts established by the State General Assembly.

The Composite Index of Local Ability to Pay determines a school division's ability to pay education costs fundamental to the commonwealth's Standards of Quality (SOQ). It is calculated using three indicators of a locality's ability-to-pay: true value of real property (weighted 50%), adjusted gross income (weighted 40%), and taxable retail sales (weighted 10%). Each locality's index is adjusted to maintain an overall *statewide* local share of 45 percent and an overall state share of 55 percent. The index is recalculated every two years. As a locality's index increases, the state's share of its funding declines and the amount the locality should be able to pay increases. The General Assembly voted to freeze the composite index until fiscal year 2012, protecting nearly 100 school divisions across the state from losing money under the new calculation. To offset the additional cost to the state for this move, the General Assembly voted to use State Fiscal Stabilization Funds (SFSF) from the federal stimulus law (American Recovery and Reinvestment Act of 2009, or ARRA). Now that those funds have expired and Portsmouth's Composite Index has increased we would expect decreased state school funding for fiscal year 2014 but, due to rising ADM, it will actually increase slightly.

Previously, the state relied on a triennial census of the school age children in a locality to determine the amount of the sales tax revenues each locality would receive for education. In the future, the General Assembly will rely on statistics provided by the Weldon Cooper Center for Public Service of the University of Virginia to determine this population.

City funds consist of monies appropriated by the City of Portsmouth. Since the school division is fiscally dependent on the City, we cannot levy taxes to directly support education. This year, the allocation to schools in the City budget is approximately 12%. According to the 2010 Census, the median value of a home in Portsmouth is \$81,300. The owner of such a home will owe a tax bill of \$1,032 based on the \$1.27 tax per \$100 of assessed value and that homeowner will contribute approximately \$124 toward education.

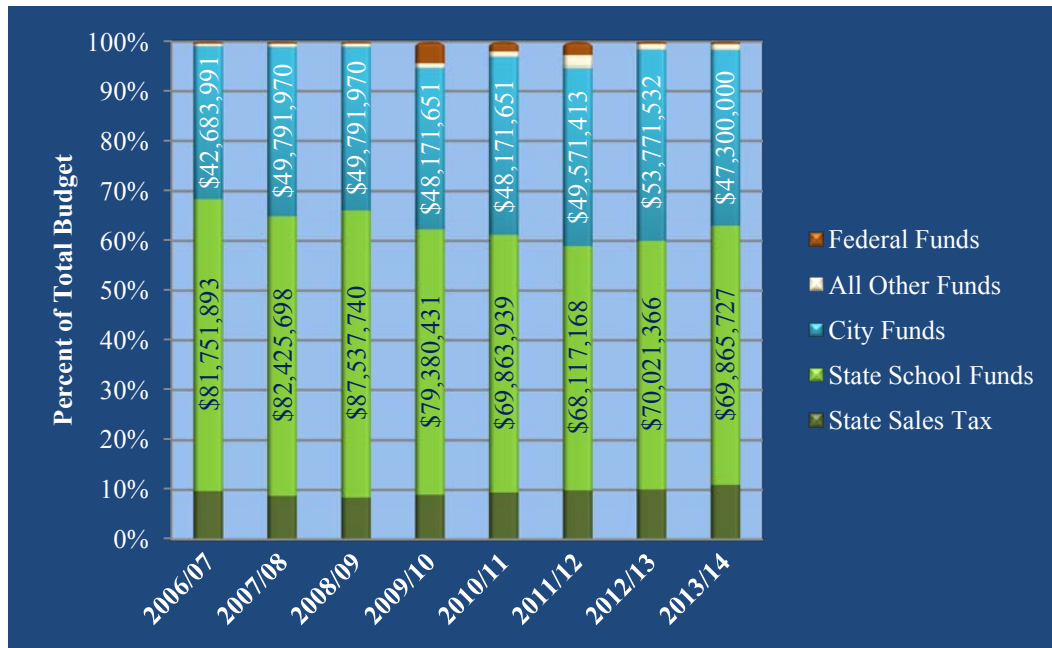
In addition to State and local funds, we receive Federal funding, which primarily consists of Impact Aid from the United States Government for the loss of tax revenue because federal property is not subject to local and state taxes. Approximately 54% of property in the City is tax exempt due in large part to military installations and religious organizations. Also included in federal funding in the general fund is money for the Junior Reserve Officer Training Corps.

Significant funding from the federal government is received in the form of grants associated with No Child Left Behind, Title I, Title VI-B, Special Education, and Education Technology. These grants allow the division to offer programs that might not be funded through the general fund. In addition to these large grants, the division aggressively seeks competitive grant funds to further its mission. Revenue and expenses related to these and other grants are detailed in the Grants Fund.

Other Funds consist of monies from the rental of our facilities, non-resident tuition, summer school tuition, rebates, refunds, proceeds from the sale of surplus property, and E-Rate. The E-Rate program is part of the Universal Services subsidy program of the Telecommunications Act of 1996 and provides discounts on all telecommunications services and advanced telecommunications to schools, libraries, and rural health care organizations. The E-Rate program is regulated by the FCC and is funded by fees charged to interstate telecommunication providers.

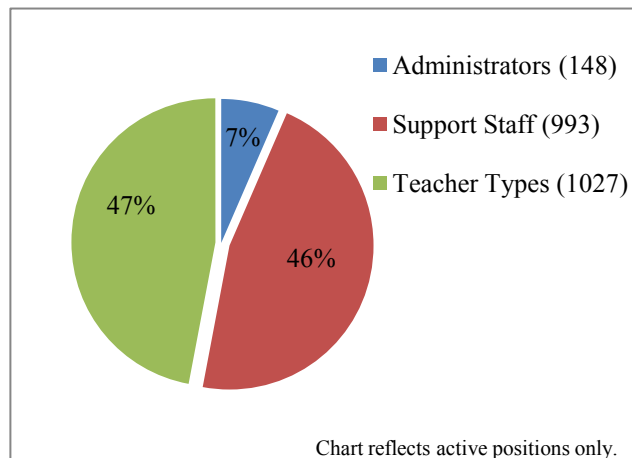
By law, the School Board may not enter into debt or issue bonds.

State and City funds represent 98% of our total revenue for fiscal year 2014. As you can see from the next graph, although the dollar amount of state funding had increased in the past, the portion of our budget that it represented decreased. We are dependent on the City to make up the difference. This gap became critical when state school funds decreased by \$8.1 million and \$9.5 million for fiscal years 2010 and 2011 while the City's appropriation for education was reduced in 2010 and remained level for 2011. As the local composite index rises, it will be even more important for funding from the City to increase in order for the school division to continue to provide first-rate education for the students in Portsmouth.



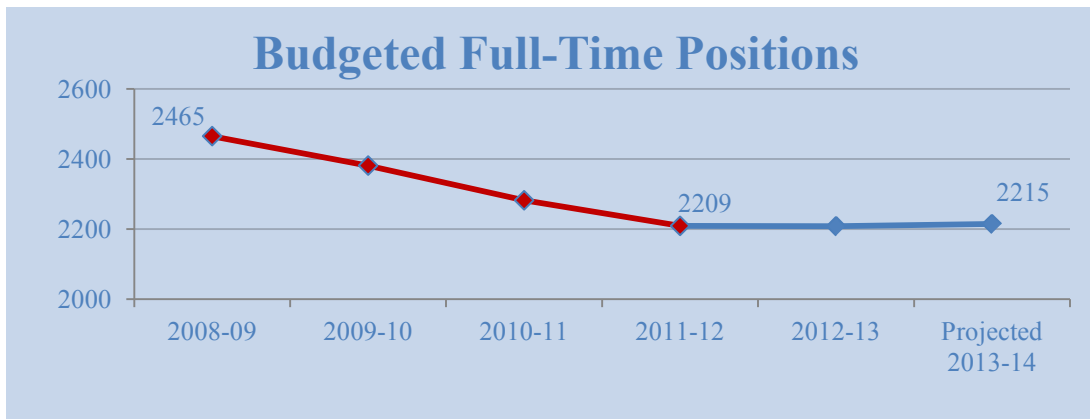
The major expenditure incurred by Portsmouth Public Schools is for salaries and benefits. These expenses make up 85% of our budget. While Portsmouth Public Schools was able to increase teacher salaries for several years to be more competitive in Hampton Roads, for fiscal years 2011 and 2012 the Board was not able to offer any raises. The budget approved by the School Board includes a 2% raise for all employees for the school year 2013-14.

Portsmouth Public Schools is committed to applying the bulk of our funding to instruction by adequately staffing our schools and centers. Since effective instruction will facilitate the school division achieving its goals as outlined by the visions in the comprehensive plan, more than 71% of our funding is focused on instruction. The following chart illustrates the distribution of full-time positions in the division. As you can see, the bulk of our personnel are teacher types followed by support personnel. Only 7% of our personnel are classified as administrators.



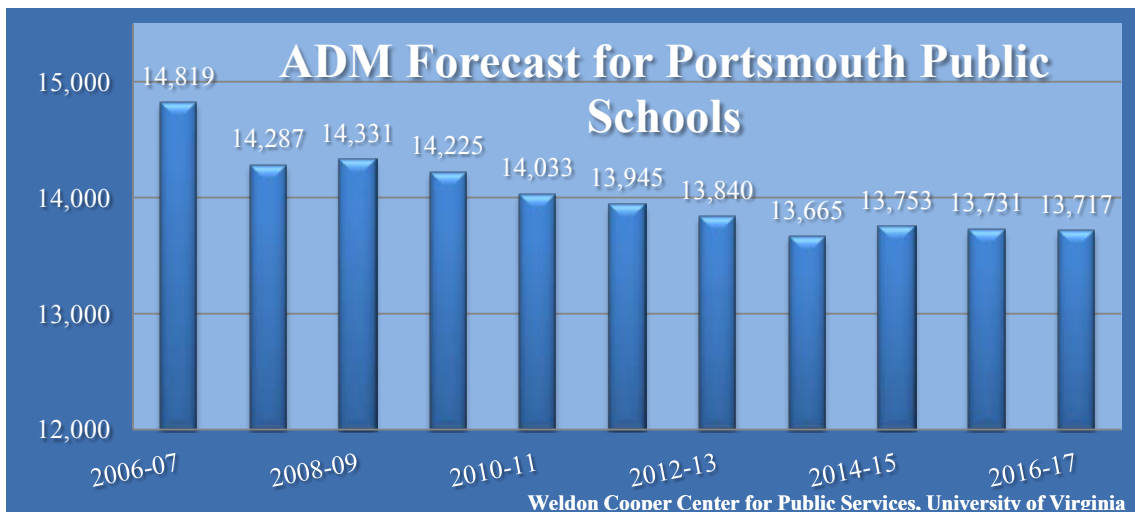
As part of the budget process each year, the Superintendent assesses the number of teaching and support positions that are required to meet the state standards and ensures that our teaching staff will be "right-sized" for the actual enrollment. While the Superintendent must staff classrooms at the required state standards he does make every attempt to keep the teacher to pupil ratio as low as financially feasible.

When he recognizes that a reduction in staffing will be necessary due to funding shortfalls, he identifies positions that are above the required state standards, and with input from instructional administrators, he flags those positions for elimination. Additionally, he looks at all support personnel to determine any positions that can also be eliminated. Over the past few years, staffing has been reduced significantly but the reduction was accomplished through attrition rather than layoffs. As you can see from the graph below, significant cuts in budgeted positions were made between 2008 and 2011. Very little change is expected over the next few years as funding is expected to change very little.



Although our state basic aid is dependent on ADM numbers, it is not the only source we use to project staffing needs and revenue expectations related to enrollment. One source of enrollment trends is the Weldon Cooper Center. It is a valuable resource for data related to change in many organizations throughout the Commonwealth. The Center gathers and analyzes data from varied sources; enrollment information is just one example of the information they provide. The General Assembly has decided to use the Weldon Cooper enrollment projections to distribute state sales tax revenue to school divisions rather than rely on a triennial census.

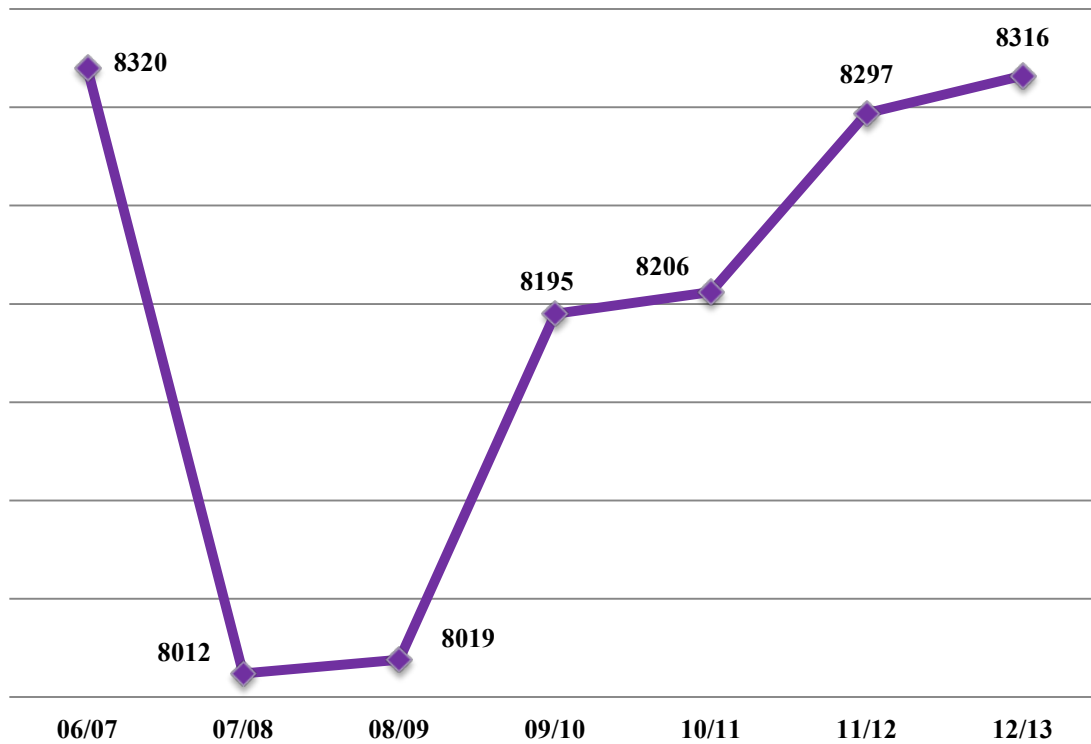
The Center forecasted a continued decline in enrollment in Portsmouth through the 2013-14 school year. The following graph exhibits the historic ADM for the school years 2006-07 through 2009-10, the Center's estimated ADM for school year 2010-11, and projected ADM for school years through 2015-16. We are estimating a continued fluctuation of approximately .1% for the 2016-17 school year.



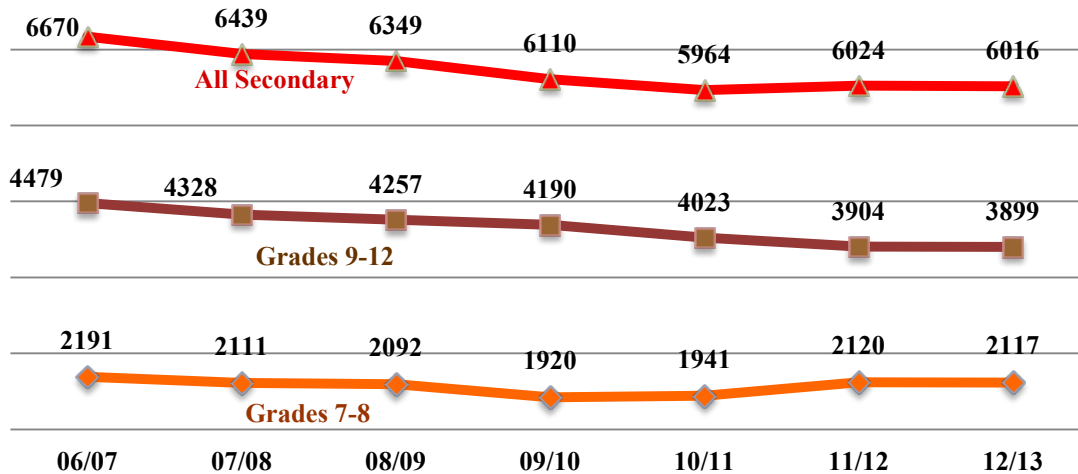
Weldon Cooper Center for Public Services, University of Virginia

While enrollment and ADM have decreased overall, division officials are encouraged to see enrollment starting to increase in the elementary grades indicating that the City's school age population is rebounding. A new military housing project has opened at Gosport in Portsmouth and we are beginning to see an influx of students from that area. The enrollment trend over the 2006-07 through 2012-13 school years is illustrated in the following graphs. The numbers reflect the September 30 enrollment reports for those years.

K-6 ELEMENTARY ENROLLMENT TRENDS



SECONDARY ENROLLMENT TRENDS



We are proud of the following division accomplishments:

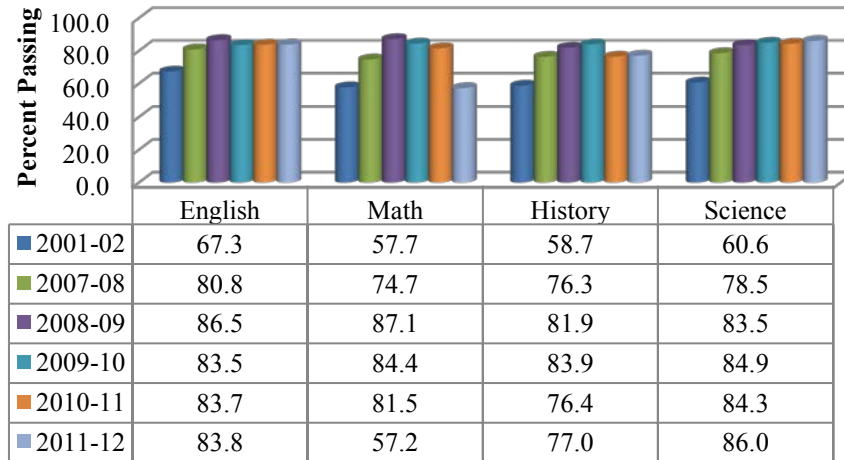
- The Portsmouth School Board received the 2010 Board of Distinction Award from the Virginia School Boards Association (VSBA).
- The Portsmouth School Board received an honorable mention citation from the Council of Urban Boards of Education (CUBE) and was recognized as one of four finalists for the 2010 CUBE Annual Award for Urban School Board Excellence.
- The Portsmouth School Board Vice-Chair, Dr. Elizabeth Daniels, was recognized at the CUBE Annual Business Meeting for her service on the CUBE Steering Committee from April 2006 through April 2013.
- The Instructional Personnel Verification Survey reported 99% highly qualified teachers in 2012-13.
- The First College Program has grown from 19 students in 2006 to 146 scholars this school year. This session, the students achieved a C or better in 82% of the courses they attempted and will be able to transfer that as college credit to 4-year universities.
- Received the Certificate of Excellence in Financial Reporting from ASBO for the seventh time and the Certificate of Achievement in Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) for the sixth time for the comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2012.
- Received the ASBO Meritorious Budget Award for excellence in the preparation and issuance of the school system budget for the fifth time for fiscal year 2012-13.
- Received the 2012 Milken Educator Award funded by the Milken Family Foundation; presented to LaKeshia Michelle Ames, classroom teacher assigned to Churchland Primary and Intermediate School, the only recipient in the commonwealth to be recognized last year.
- Named to the College Board's Third Annual Advance Placement Honor Roll for expanding opportunities and improving performance for Advance Placement students; recognized as one of the 12 Virginia school divisions that were among the 539 districts nationwide designated to receive this honor.
- Honored by WHRO and Dominion Virginia Power as a recipient of the 2013 Community Impact Award; presented to Rear Admiral William Hayden, USN Retired, for his stellar work with StarBase Victory housed at Victory Elementary School.
- Accepted the VSBA Green School Challenge and was recognized as a VSBA Certified Green School Division for the third time.
- The Portsmouth School Division was recognized in the VSBA's Showcases for Success Directory for the *1,2,3 . . . Let's Dance!* Program and the *Early Up* Program.
- Victory Elementary School was recognized as a 2013 Distinguished Title I School by the Virginia Board of Education for meeting all state and federal accountability requirements and for achieving SOL scores at the 60th percentile or higher in the areas of reading and mathematics.
- Of the 966 members of the Class of 2013, 35.7% received Advanced Studies Diplomas and 27.5% graduated with Honors. Merit-Based Scholarships were awarded in the amount of \$4,841,430.

Standards of Learning (SOL highlights for the school year 2011-12):

- 100% of Portsmouth Public Schools met the English Standards of Learning criteria.
- 100% of Portsmouth Public Schools met the Science Standards of Learning criteria.
- 90% of Portsmouth Public Schools met the History Standards of Learning criteria.
- 89% of Portsmouth Public Schools met the Mathematics Standards of Learning criteria in spite of new state standards.
- Fifteen of 19 schools in the division were fully accredited for 2012-13 based on SOL scores for 2011-12. Four schools were accredited with warning.

Student performance affects funding in two areas. Monies received from the Federal government through Title I are based on student performance and the division would lose some funding from the state if any or all of the schools do not meet the Standards of Learning (SOL) criteria for accreditation. While those funds are not withheld because of one year's poor performance, failing to improve would trigger a take-over of the school(s) by the state and the funding received for the pupils who attend that particular school would be lost. The division's SOL pass rates for the past few years are illustrated in the chart that follows. More detailed SOL pass rates are illustrated in the Information Section.

SOL PASS RATES OVER TIME BY CORE AREAS

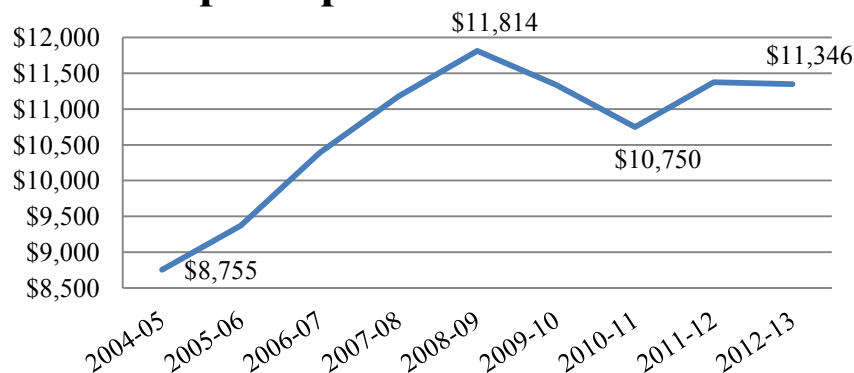


Source: Portsmouth Public Schools, Office of Research and Evaluation

For the 2011-12 school year, new SOL tests were administered in the area of Mathematics. Across the state, scores declined in that area, as they did in Portsmouth. For 2012-13, new tests were administered in English and Science. Preliminary scores reported to the Virginia Board of Education in February 2013 indicate that a similar decline of 7-14 percentage points will be evident statewide.

The per pupil expenditure for the upcoming school year is reported to parents each year. This cost is determined by dividing the total expenditures for operating the school division by the average daily end-of-year membership for the previous school year. The graph below illustrates our per pupil expenditures over the past few years. If you compare per pupil expenditures to the SOL scores above, you will see a relation between increased pupil expenditures and significantly improved scores.

Per Pupil Expenditures



FORECASTING THE FUTURE

Eighty-five per cent of the School Board's expenditures are for salaries and benefits. The School Board does not want to release any personnel because our staffing is close to the minimum state requirements already. Any personnel cuts would certainly erode the quality of the education we are providing which would be unacceptable. The only solution will be to resort to cutting materials and supplies, staff development, and facilities expenditures. Certain maintenance expenditures and equipment purchases can be postponed in the short term, but to do so over a long period will also erode the quality of the education environment.

In these tough economic times, the task of forecasting a budget becomes more difficult with each year. Funds that were available for FY2012 from ARRA expired leaving the division with a deficit of more than \$3 million as we began to plan for FY2013. The Superintendent did not recommend any salary increases for several years because he could not foresee recurring funds to support such a raise. In order to present a balanced budget, the Superintendent has to make tough decisions regarding areas that must be reduced. We anticipate some increase in state funding attributed to a slight increase in ADM. As property values in the City remain level or decline, it is critical that funding from the City does not decline also. The City's Economic Development Department mounted a campaign over the past three years to attract new residents to the City. City officials report that the population is edging upward now, in part, due to affordable housing. The School Board can only hope that this swelling population will also translate into additional tax dollars available to support the School Board's mission.

The table below illustrates our forecast for future expenditures. We are guardedly optimistic that revenue will continue to meet our expenditure needs. Our division has educated the youth of the city since 1847 and we are confident that we will be able to meet the financial challenge of continuing that mission well into the future. Our experiences weathering the difficult economic periods in our history have equipped us to meet those challenges. In summary, the Portsmouth Public School Division will continue to support the School Board's mission to "challenge the minds, challenge the bodies, and challenge the dreams of all students while focusing on excellence."

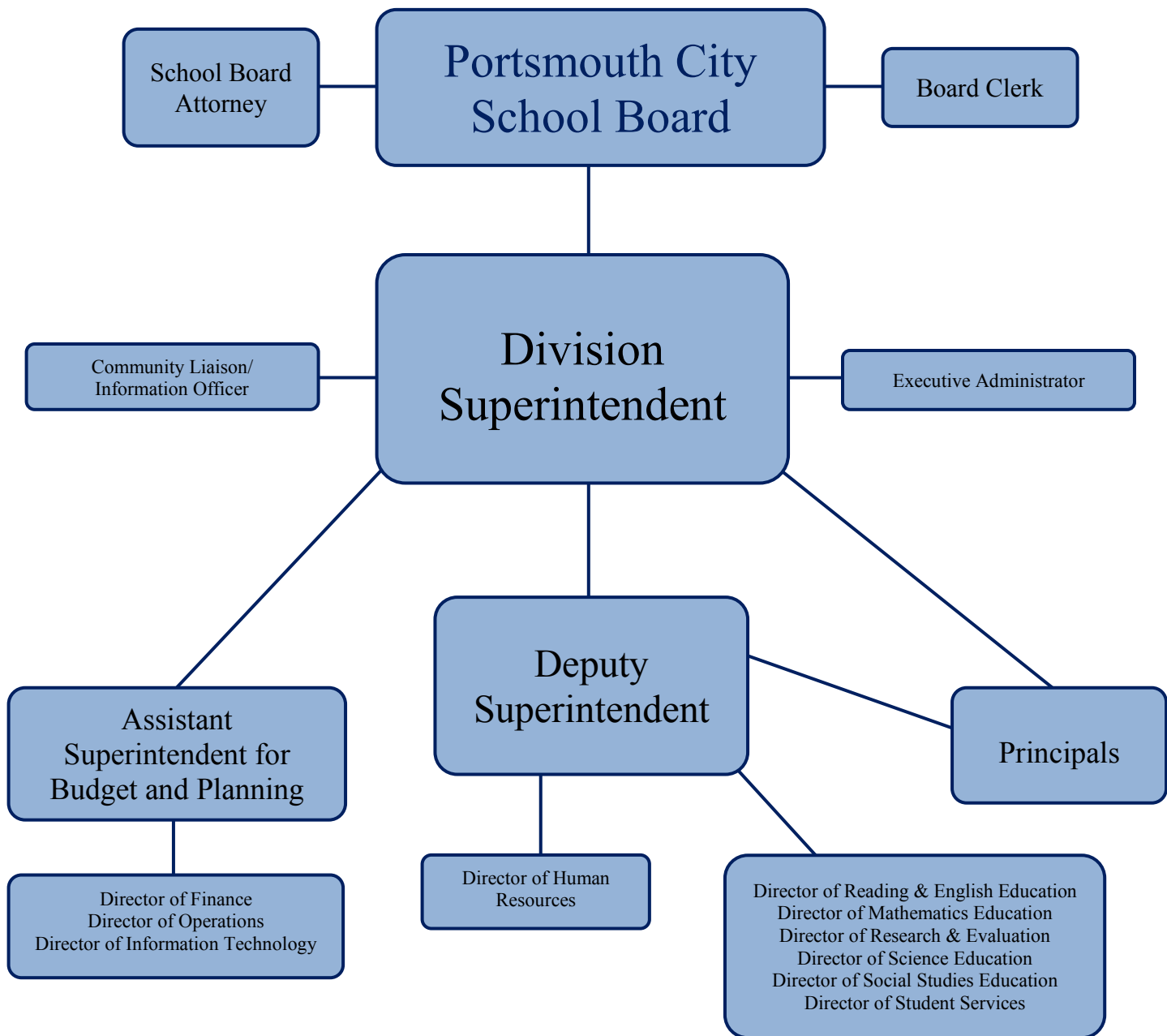
| | 14/15 Forecast | 15/16 Forecast | 16/17 Forecast |
|---|----------------|----------------|----------------|
| GENERAL FUND | | | |
| TOTAL EXPENDITURES | \$ 135,420,133 | \$ 136,193,661 | \$ 137,518,170 |
| REPROGRAPHICS FUND | | | |
| TOTAL EXPENDITURES | \$ 590,025 | \$ 595,925 | \$ 595,925 |
| CAFETERIA FUND | | | |
| TOTAL EXPENDITURES | \$ 7,721,535 | \$ 7,794,070 | \$ 7,868,086 |
| GRANTS FUND | | | |
| TOTAL EXPENDITURES | \$ 24,408,893 | \$ 24,408,893 | \$ 24,408,893 |
| RISK MANAGEMENT & INSURANCE FUND | | | |
| TOTAL EXPENDITURES | \$ 955,702 | \$ 955,702 | \$ 955,702 |
| TEXTBOOK FUND | | | |
| TOTAL EXPENDITURES | \$ 715,315 | \$ 722,468 | \$ 1,278,948 |

Organizational Section

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DIVISION ORGANIZATIONAL CHART

2013-14



Rev. 07/13

ORGANIZATION

The title of the corporate body is the Portsmouth City School Board. The School Board derives its authority from the Constitution of Virginia, the Code of Virginia, and the regulations of the State Board of Education. The nine elected members of this corporate body are officers of the Commonwealth and govern the operations of the school division during their four-year terms.

The Portsmouth City School Board appoints the Division Superintendent who is the executive and administrative head of the public school division. He manages the school division as prescribed in the regulations of the State Board of Education and in accordance with policies and procedures approved by the School Board. His responsibilities related to budget preparation and administration are spelled out in School Board Policies DA (Management of Funds), and DB (Annual Budget). These policies require that the Superintendent use appropriate fiscal planning and management methods modeled after accepted business practices and directed toward the educational goals of the division. The full text of policies DA and DB are included in the Information Section of this document.

Each year, in accordance with the policies mentioned above, the Division Superintendent prepares and presents a budget to the Board for adoption. The budget document presented to the School Board for approval explains the division's financial situation in clear, simple terms. It is the financial outline of the division's education program and the primary means of managing expenditures during the fiscal year, July 1 through June 30. The budget is an estimate of the amount of money needed during the next fiscal year for the support of the public schools of the division. It also represents the proposed plan of expenditures and the expected means of financing those expenditures. The Superintendent prepares a budget calendar identifying the milestones for the annual budgetary process to include at least one public hearing on the budget. With that community input, the budget represents a reasonable compromise between academic expectations and economic realities. Presentations are given to the Board at least monthly and these presentations are broadcast on the division's public television station as a means of allowing the community to understand the budget and, even more importantly, to understand the division's educational priorities and objectives.

Once the budget is adopted, the Superintendent is responsible for administering it in accordance with all Board policies and applicable local, state, and federal regulations and laws. In the past, funds were appropriated to the School Board by total expenditures by the City Council and the Superintendent was authorized to make transfers between categories within the budget. For the 2013-14 fiscal year, the Portsmouth City Council appropriated funds by category: Instruction, Administration, Attendance and Health, Pupil Transportation, Operations and Maintenance, Facilities, Technology, and Debt and Fund Transfers. The Superintendent may move funds between the accounts within each category as necessary but must seek approval from the City Council to move funds between categories. While he has final approval for all expenditures, the various departments administer the funds allotted to them. A workflow process is in place for the appropriate personnel to approve expenditures in the category for which they are responsible. Approvers are expected to ensure that applicable rules have been followed in accordance with acceptable accounting procedures and in compliance with the Virginia Procurement Code.

The school division is fiscally dependent; i.e., it does not have taxing or borrowing authority (except for purchase of school buses) and derives most of its funding from the Commonwealth of Virginia and the City of Portsmouth. The City Council appropriates funding for the School Board's Operating Budget, levies the necessary taxes to finance the operations, and borrows money and issues bonds when necessary.

The School Board management maintains budgetary controls to ensure compliance with the annual appropriated budget adopted by the School Board. The Finance Director prepares a monthly report to the School Board that lays out revenue and expenses to date for all funds as well as comparing revenue and expenditures to the same time period for the previous year. The division maintains an encumbrance accounting system as the method of accomplishing budgetary control. Outstanding encumbrances (open purchase orders) at the end of the fiscal year are carried forward to the next fiscal year. By the end of the

second fiscal year, outstanding encumbrances are liquidated and remaining funds are transferred to the City.

Additionally, management maintains an internal control structure designed to provide reasonable assurance that material errors or fraud that occur are detected in a timely manner by employees in the normal course of performing their duties.

The School Board pays a fee yearly to the City to manage the School Board's risk management program. It is fully insured for auto liability and for general liability through the Virginia School Boards Association (VSBA) Insurance Services. The School Board carries an excess policy, with self-insured retention of \$250,000 for Workers Compensation. PMA, a third party claims administrator, handles Workers Compensation claims. Effective July 1, 2013, the VSBA Insurance Services merged with the Virginia Association of Counties Self-Insurance Pool (VACoRP). VACoRP has agreed to continue coverage equal to or better than the terms of existing renewals at a savings to individual divisions of approximately 6%. Actual savings for Portsmouth will be determined at a later date.

The Portsmouth City School Division serves students who live within the borders of the independent city of Portsmouth, Virginia. This urban city, settled in 1752 and incorporated by the Virginia General Assembly in 1858, has a population of approximately 96,000 consisting of just over 40,000 households living within its 33 square miles. According to the 2010 Census, the ethnic population is approximately 53% black, 42% white, and 5% other. We are bordered by the cities of Chesapeake and Suffolk respectively to the south and west, and by the City of Norfolk to the east across the Elizabeth River.

The Superintendent and the School Board, as conscientious stewards of the public trust, study population and student trends to formulate a financial plan. They plan expenditures with a view toward reducing the overall costs associated with public education as much as possible while providing the very best educational experience for our students or, to quote the School Board mission, "while focusing on excellence".



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The mission of the Portsmouth Public Schools is “to challenge the minds, challenge the bodies, and challenge the dreams of all students while focusing on excellence”.

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MISSION AND VISIONS

The School Board adopted the Mission Statement above in August 2007. To accomplish this mission, the School Board approved a 2007-2017 Comprehensive Plan in December 2007 with five visions which constituted the Board’s goals for the division. Every two years the School Board reviews the plan and revises it as necessary. They added a sixth vision in December 2009. Within the plan are measurable objectives for each vision but the full text of the Comprehensive Plan is too lengthy to reprint within this document. The full text is available at www.pps.k12.va.us. (Click on the “About” tab; choose “School Board” from the drop-down menu; and click on the “Comprehensive Plan” link near the top of the page.) The plan’s six visions, or goals, are summarized below.

1. *By 2017 the Portsmouth School Board will be a leading force for community advancement.* To complete this Vision, the School Board will seek recognition by the Virginia School Boards Association (VSBA) as a “Board of Distinction” and they will implement technology to increase the efficiency of its operation.
2. *By 2017 all parents of Portsmouth Public School students will be excited about and claim ownership of their children’s education.* Schools will exhibit a parent-friendly environment and will work with the Communities in Schools organization to involve parents and families in their children’s schooling. Parents will be invited into schools; and parent literacy programs will be expanded.
3. *By 2017 all graduates of Portsmouth Public Schools will be highly sought after by both employers and institutions of higher learning.* The Board envisions that 100% of Portsmouth Public Schools students will graduate and enter a post high school educational program or a job that requires specific training. They see high-quality teachers seeking our school division and growing within it. Portsmouth Public Schools will establish programs within the school division to encourage and support students and staff members to become teachers. At the same time, the school system will establish a program evaluation system that will indicate which programs merit expansion, modification, or deletion.
4. *By 2017 Portsmouth Public Schools will be recognized by educational organizations and institutions of higher learning for its innovative and effective programs.* To fulfill this Vision, all Portsmouth Public Schools graduates will successfully complete three years of high school mathematics and three years of a foreign language. The School Board expects will enhance cultural awareness and learning experiences through the arts. Portsmouth Public Schools will partner with city agencies and with faith-based and civic organizations to establish a comprehensive Pre-K program. Lastly, Portsmouth Public Schools will strengthen athletic and other extracurricular programs to make our students more competitive on the state and national levels.
5. *By 2017 all Portsmouth Public Schools students will be socially responsible and respected as lights of inspiration for future generations.* To accomplish this vision, Portsmouth Public Schools will provide leadership development programs for all students and teach them the value of being law-abiding citizens.

6. *By 2017, the Portsmouth City School Board will provide educational facilities – including technology – that contribute to the learning environment for students and provide safe and accessible facilities for students and staff.* The Board expects to provide facilities that support the 21st Century Learning Environment and will participate in the Virginia School Boards Association (VSBA) Green Schools challenge by implementing environment-friendly solutions. In addition to providing and maintaining safe facilities and equipment, they will also build processes, responsibilities, and technologies that provide information to understand the past and present and enable the shaping of the future.

The School Board's budget is formulated to accomplish the visions listed above and supports the Comprehensive Plan. In the Plan document are listed numerous subordinate goals for each vision along with objectives for the goals. Most of the costs associated with achieving the goals are accommodated within the budget for the day-to-day operation of the various departments. With decreasing revenue, it has been difficult to fund some of the objectives; thus, they have been delayed. For example, under Vision 4, the Board identified a goal related to foreign languages. One objective was to include foreign language as part of the elementary school curriculum in grades 4-6. The cost for this objective involved supplements for curriculum writers, additional supplies, and hiring additional teaching staff. Since additional funds cannot be identified to support this objective, it has been postponed until funds become available on a continuing basis.

Many of the objectives require funding that simply is not available or cannot be supported on a continuing basis. While the School Board recognizes this limitation, it also expects the staff to diligently work toward achieving the visions and goals adopted in the Comprehensive Plan. Budget constraints continue to limit or postpone the implementation of some objectives but the division continues to strive toward achieving every goal possible with the funds already budgeted.

One shining example of achieving the Board's visions and goals (specifically, Vision 4, Goal G) is the implementation of additional preschool centers to ensure that students entering kindergarten will make a seamless transition by possessing the readiness skills that ensure success in a public school setting. The division staffs four preschool centers with an adequate number of classrooms to serve all preschool students whose parents wish for them to attend.

Raising the level of publicity for athletics programs is a goal under Vision 4. The PSET (Portsmouth Schools Education Television) facilities are being upgraded to enable athletic events to be televised. This upgrade will also allow for expanded use of PSET resources in the classroom. Additionally, the School Board approved a program to solicit corporate sponsorships for athletic programs.

An objective under Vision 6 is to provide gymnasiums for all elementary schools to provide for indoor physical education classes for our students. That objective has been met.

The School Board attempted to address three specific goals identified by principals and administration when the Board approved the 2013-2014 school year budget. First, the Instruction Department identified additional teaching positions that were needed to combat the rising teacher to pupil ratio in the classrooms. Over 400 positions, both instructional and non-instructional, have been attrited over the past seven years. Second, the Board desired to reclaim 39 paraprofessional positions. These paraprofessionals provided assistance in kindergarten classrooms ensuring that our youngest pupils received the very best foundation to build upon as they progress through their educational careers. Lastly, principals expressed a desire to see all employees receive a pay raise.

The appropriation from the City Council specifically addressed the teaching positions and funding for a 2 per cent pay increase. Since the funding from City Council did not specifically address the additional paraprofessional positions, the School Board decided to ask the City Council for additional funds for the paraprofessional positions. The paraprofessionals will not be hired unless the additional money is appropriated and funded by City Council.

FACILITIES AND PROGRAMS

Enrollment in Portsmouth Public Schools is just over 14,400 students at 23 sites. There are three high schools, three middle schools, and thirteen elementary schools. Services previously provided at the Diagnostic, Adjustive, and Corrective Center (DAC) for preschool students, ages 2 through 4 who have special disabilities or developmental needs, are now provided at four preschool centers throughout the division. Four-year old preschool students are served at these same locations acquiring skills to ensure success in kindergarten and throughout their educational career. Students in kindergarten through sixth grade receive traditional instruction at the 13 elementary schools. Regular instruction continues through the three middle schools (grades 7-8) and three high schools (grades 9-12). Beginning in 2011-12, alternative placement through the New Directions Center for students in grades K-8 was provided at the former DAC building. Alternative placement for students in grades 9-12 will continue to be provided through Project Uplift and the Individual Student Alternative Education Plan (ISAEP) at the Clarke facility.

The School Board is well on the way to meeting the goals envisioned in the Comprehensive Plan by implementing numerous programs throughout the school system. In addition to traditional instructional settings for students in grades K-12, high school students have the option of applying to attend magnet programs that are home-based at each high school. The Math and Science Magnet program is at Norcom High School, the International Studies Magnet Program operates at Wilson High School, and the Visual and Performing Arts Magnet program is based at Churchland High School.

Portsmouth Public Schools operates a Science, Technology, Engineering, and Mathematics (STEM) pathways program for all elementary students in laboratories located at Victory Elementary School.

Portsmouth Public Schools began the AC=13 Program (Academics Plus Career After High School=13th Year) in 2006 as a means to prepare students for the time immediately following high school graduation. The program erased the boundaries of traditional academic courses and career or technical courses and blurred the lines between high school and community college. Our Career and Technical Education Program offers courses in Practical Nursing, Hotel and Motel Management, Early Childhood Education Exploration, Culinary Arts, Horticulture, Marine Electrical, Diesel Equipment Technology, and Automotive Repair. Upon completion of these courses, students not only possess workplace readiness skills, but also receive certification that enables them to earn a living while deciding where their education journey will lead.

Portsmouth Public Schools has partnered with Tidewater Community College to offer First College to second-semester seniors who have completed the coursework for their high school diplomas and plan to attend a college or university after graduation. These students take classes at the local campus of Tidewater Community College and earn up to 14 semester hours of post-secondary credit. This program began in the spring of 2006 with 19 students and has grown each year since. In spring 2013, 146 students took advantage of the program.

The Adult Education department offers night courses at the Excel Campus which is located at Woodrow Wilson High School. Courses are designed to prepare adult students to pass the GED, to learn new hobbies, or to gain knowledge simply for personal enrichment. In addition, adults wishing to learn English as a second language receive instruction through the adult education department.

FUNDING

Portsmouth Public Schools receives revenues from state school funds designated to support the Standards of Quality (SOQ) and other programs identified by the State General Assembly; from 1-1/8% of state sales tax; from the City of Portsmouth; from federal funds, primarily in the form of Impact Aid and grants; and from miscellaneous funds such as rents, summer school tuition, rebates, and refunds. The School Board allocates these funds to provide educational programs for all students in the Portsmouth Public Schools.

According to the Code of Virginia §22.1-110, school boards may not borrow any money without express authority of law. The main exception being that a school board may borrow in order to purchase new school buses to replace obsolete or worn out equipment but such loans must be repaid within 10 years.

The School Board Chart of Accounts is organized on the basis of funds and account groups, each of which is considered a separate accounting entity with a separate set of self-balancing accounts. The funds of the School Board consist of the General fund, the School Grants fund (various categorical grants), the Reprographics fund, the Cafeteria fund, the Construction fund, the Risk Management fund, and the Textbook fund. The School Board is also responsible for the planning, development, and execution of the approved schools' Capital Improvement Program (CIP). The school division utilizes the modified accrual basis for accounting and budgeting for all funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual; i.e., when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means the funds are collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, if measurable.

Fund balance is categorized within one of five classifications based primarily on the extent to which the School Board is bound to observe constraints imposed upon the use of resources in the governmental funds.

- The *non-spendable fund balance* category includes amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It includes the long-term amount of interfund loans.
- The *restricted fund balance* is reported as restricted when constraints are placed on the use of resources either externally by creditors, grantors, contributors, laws and regulations, or through enabling legislation.
- The *committed fund balance* classification includes amounts that can be used only for the specific purposes determined by a formal action of the School board - the highest level of authority.
- The *assigned fund balance* classification is intended to be used by the School Board for specific purposes that do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by School Board or the delegate – an authority delegated by appropriate action such as a resolution.
- The *unassigned fund balance* is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

A fund balance of the School Board may be committed for a specific source of formal action, e.g., the approval of a contract for construction of a school facility would commit that fund balance for construction of the specific school. When it is appropriate for a fund balance to be assigned, the School Board has delegated the authority to the Superintendent or his designee to assign the fund balance. In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended is as follows: restricted fund balance, committed fund balance, assigned fund balance, and lastly, unassigned fund balance.

By law (Code of Virginia, as amended Section 22.1-100), all unexpended funds in the Operating Budget in any school year shall revert to the fund of the Commonwealth or the General fund of the City of Portsmouth depending on the funding source. Any fund balance in the General fund carried into a succeeding fiscal year is for carry-over encumbrances only. The School Board employs encumbrance accounting under which obligations in the form of purchase orders, contracts, and other commitments for the expenditure of funds are reported as reservations of fund balances since they do not constitute expenditures or liabilities. Appropriations with outstanding commitments or encumbrances are carried in the following year. According to the City of Portsmouth, Virginia Code, unexpended unencumbered appropriations lapse at the end of the year.

SCHOOL BOARD FUNDS

General Fund - The School Board General Fund is the basic funding plan for the schools. It includes funds for the fiscal operation of the school system and is used to account for all financial resources except those required to be accounted for in another fund.

Reprographics Fund – This enterprise fund accounts for the revenues and expenditures of the Portsmouth City Public Schools' Printing Center. The Fund supplies printing and graphic services to the City of Portsmouth, outside entities, and functional units in the School Board on a cost reimbursement basis.

Cafeteria Fund - The Cafeteria fund is a special revenue fund that supports food services operations at the division's schools.

Grants Fund - The Grants fund provides assistance for particular federal, state, and local programs. These grants encourage recipient divisions to expand expenditures to support certain instructional programs.

Risk Management and Insurance Fund - The Risk Management and Insurance fund is an internal service fund that accounts for all insurance premiums and workers' compensation claims for which the School Board is liable and for the payment of claims and legal fees, if necessary, on public liability claims arising from the operations of the School Board.

Textbook Fund - The Textbook fund records revenues and expenditures for textbooks. Historically, the State General Assembly authorizes the Textbook fund balance to be carried forward each fiscal year.

Construction Fund – The Construction fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities. We plan to close this fund by December 2013. All construction projects will flow through the City Capital Improvement Program.

REVENUE CATEGORIES

Revenue for the school division is received from state, local, and federal governing bodies.

CITY FUNDS includes the appropriation approved by the City Council. The locality is required to match a portion of the funding from the State. For fiscal year 2012-13, Portsmouth's local share is \$26.29 million. For 2013-14 it is \$26.46 million based on a projected ADM of 14,253 students.

FEDERAL FUNDS includes impact aid and is subject to the federal budget process. Funds authorized through the American Recovery and Reinvestment Act of 2009 (ARRA) expired in 2012. Categorical funds are for specific programs.

OTHER FUNDS includes E-Rate, non-resident tuition, fees and rents from the use of school buildings, and proceeds from sale of surplus property. The E-Rate program is part of the Universal Services subsidy program of the Telecommunications Act of 1996. The subsidy program is to provide discounts on all telecommunications services and advanced telecommunications to schools, libraries, and rural health care organizations. The E-Rate program is regulated by the FCC and calls for discounts of 20 to 90 percent on all telecommunications services, Internet access, and internal connections for schools and libraries, depending on the applicant's location and economic status. The program is funded by fees charged to interstate telecommunication providers.

STATE SALES TAXES in the amount of one and one-eighth cent is distributed by the state for public education. Previously, a census was conducted every three years by each locality to determine the number of school-aged children who reside within the city to determine the distribution of sales tax to the school division. In 2010, the Virginia General Assembly voted to eliminate the triennial census and to base the

distribution of sales tax on an annual estimate of the school-age population of a school division done by the Weldon Cooper Center for Public Service at the University of Virginia.

STATE FUNDS includes funding for basic aid to support the Standards of Quality (SOQ), categorical aid, and incentive program revenue to support specific programs and initiatives.

EXPENDITURE CATEGORIES

Projected expenditures consist of cost estimates for the operation of regular day school, summer school, adult education programs, and other education programs. The Operating Budget classifications are: Instruction; Administration, Attendance and Health; Pupil Transportation; Operations and Maintenance; Facilities; Debt and Fund Transfers; and Technology. Within each of the major areas there are subcategories.

INSTRUCTION includes the activities that deal directly with the interaction between teachers and students. These activities include classroom instruction, guidance services, school social workers, homebound services, improvement of instruction, media services, and expenses of the office of the principal.

ADMINISTRATION, ATTENDANCE AND HEALTH includes activities associated with establishing and administering policy for Administration, Attendance and Health. Administration includes those activities concerned with establishing and administering policy for the school division such as board services, executive administration services, budget and planning, public information, human resources, financial services, and purchasing services. Attendance and Health Services includes those activities whose primary purpose is the promotion and improvement of children's attendance at school including activities associated with providing students with appropriate medical, dental, and nursing services as well as psychological services and therapy services.

PUPIL TRANSPORTATION includes activities concerned with transporting students to and from school as provided by state and federal law. This includes trips between home and school, and trips to and from school activities. Subcategories within pupil transportation include management, vehicle operation and maintenance services, and school bus purchases and leases.

OPERATIONS AND MAINTENANCE includes activities concerned with keeping the physical plant in good operating condition. This would include safety and security services, equipment services, vehicle services, and warehouse operations as well as management services, and building services, mainly concerned with keeping the physical plant clean and ready for daily use.

FACILITIES includes activities concerned with acquiring land and buildings, remodeling buildings, constructing buildings and additions to buildings, installing or extending service systems and other built-in equipment, and improving sites.

TECHNOLOGY activities are primarily concerned with the delivery of technology to the classroom in support of student instruction. In addition, technology supports other functional categories through the acquisition and maintenance of hardware and software as well as recommending policy and procedures that relate to technology activities in the School Division.

DEBT AND FUND TRANSFERS includes outlays of funds that are not properly classified as expenditures, but require budgetary or accounting control. This includes payments for both principal and interest that service the debt of the school division and transfers between funds such as from the operating fund to the grant fund to satisfy match requirements for grant programs.

Within each of the seven categories, Instruction; Administration, Attendance, and Health; Pupil Transportation; Operations and Maintenance; Facilities; Technology; and Debt and Fund Transfers, the following expenditure types are utilized. A brief description of each expenditure category follows:

SALARIES provides for all payroll costs for full-time and part-time employees, as well as overtime expenses, supplements and other allowances.

FRINGE BENEFITS provides for all fringe benefits including Social Security, life insurance, retirement, medical insurance, and unemployment.

PURCHASED SERVICES provides for all contractual services required by the School Board; i.e., printing, maintenance agreements, advertising expenses, and other contracted services.

OTHER CHARGES provides for payments of utilities, postage, telecommunications, insurance, rentals, travel, and other miscellaneous charges.

MATERIALS AND SUPPLIES provides for expenditures for articles and commodities which are consumed.

CAPITAL OUTLAY provides expenditures for new equipment and replacement equipment. Items that are appropriate in this category include computer equipment, furniture, educational and audiovisual equipment, motor vehicles, communications equipment and medical equipment. This category excludes any major capital outlays associated with facilities acquired or constructed. These capital outlays are included in the City's CIP Budget.

TRANSFER TO OTHER FUNDS accounts for the conveying of funds from one fund (e.g., School General Fund) to another fund (e.g., Textbook Fund, Grants Fund, and Risk Management Fund).

BUDGET CALENDAR FOR 2014 BUDGET CYCLE

| | |
|----------------------|--|
| November 8, 2012 | Employee Groups present budget & salary requests to School Board |
| November 20, 2012 | School Board Finance Sub-Committee meets |
| November 26, 2012 | Administrative Budget Team meets |
| December 5, 2012 | Budget Entry begins for Schools & Departments |
| December 6, 2012 | Issues list presented to School Board |
| December 12-13, 2012 | Budget Entry Refresher Training |
| December 17, 2012 | Governor submits proposed Biennial Budget |
| January 3, 2013 | Administrative Budget Team meets |
| January 4, 2013 | Deadline for directors & coordinators to review budget entries by schools & departments |
| January 7, 2013 | Budget Entry begins for Directors & Coordinators |
| January 10, 2013 | School Board Finance Sub-Committee meets |
| January 11, 2013 | Deadline for Assistant Superintendents to review budget entries approved by directors and coordinators |
| January 14, 2013 | Budget Entry begins for Assistant Superintendents |
| January 17, 2013 | First draft of FY 2014 Proposed Budget presented to School Board |
| January 18, 2013 | Budget entry closes |
| January 25, 2013 | Administrative Budget Team meets |
| January 29, 2013 | School Board Finance Sub-Committee meets |
| January 31, 2013 | Second draft of the FY2014 Proposed Budget submitted to School Board |
| February 7, 2013 | School Board Finance Sub-Committee meets |
| February 11, 2013 | Joint Meeting between School Board and City Council |
| February 14, 2013 | Final draft of Proposed Budget presented to School Board |
| February 28, 2013 | Public Hearing on the FY 2014 Proposed budget |
| March 28, 2013 | School Board adopts FY 2014 Proposed Operating Budget |
| April 2, 2013 | City Manager introduces FY 2014 Proposed City Operating and CIP Budgets |
| April 3, 2013 | FY 2014 Proposed Budget forwarded to City Manager |
| April 9, 2013 | City Council Public Work Session and Public Hearing on the Annual Operating Budget |

| | |
|----------------|---|
| April 16, 2013 | Joint Meeting between School Board and City Council to discuss FY 2014 budget matters |
| April 23, 2013 | City Council holds a second public hearing |
| May 14, 2013 | City Council adopts Annual Operating Budget |
| May 16, 2013 | School Board reviews final adjustments to Proposed 2013-14 Operating Budget |
| May 23, 2013 | School Board adopts FY 2014 Operating Budget |

CAPITAL IMPROVEMENT PLAN

The School Board's Capital Improvement Plan (CIP) is part of the City's Annual 5-year CIP. The School Board's original Long Range Capital Improvement Plan, for the period 1999-2014, was approved by the School Board on September 23, 1999. City Council demonstrated its support for the CIP on September 28, 1999, by appropriating \$9,432,089 for initial projects in the Program. A number of issues raised by School Board and City Council members in 1999 were addressed in the CIP. Significant among these issues was the City's financial objective, stated in its budget, to "maintain affordable debt levels with debt service not to exceed 10% of operating revenues". Funding sources in addition to general obligation bonds were identified in the CIP in support of this objective. Additionally, in order to improve facilities within the restricted dollar limits, emphasis was placed on renovation of current buildings.

Since original approval in 1999, the plan has been updated or revised several times. On November 10, 1999, the School Board changed the Plan by approving three new 500 student elementary schools (John Tyler, Brighton, and Park View) in lieu of two 700 student schools (John Tyler and Brighton). In 2004 the plan was again updated to include a larger Park View Elementary to accommodate 700 students and room additions at some elementary schools as well as the closure of one middle school and the transition of Career and Technical programs to another building.

The original Funding Plan laid out a 15 year execution period with Literary Fund Loans being obtained in years with funding shortfalls. In November 2000, voters approved a Virginia Constitutional amendment establishing a Lottery Proceeds Fund to be used for education. This additional source of construction funds shortened the original plan by 3 years.

In 2006, the plan was again updated to support the Superintendent's instructional program including a new 700 student school to replace Olive Branch Elementary and Simonsdale Elementary rather than a renovation and addition to Olive Branch. The Olive Branch building, that had a new mechanical system and windows installed in 2002, would be converted to a Pre-K Center to support new initiatives in early childhood education. The plan schedule was extended through 2016.

Also in 2006, an Energy Performance Contract funded \$8.5 million in Energy Conservation measures. The \$8.5 million investment will be paid back from guaranteed energy savings over a 12 year period.

In 1999, we estimated an inflation rate of 2.5% per year. Adjustments are made annually to accurately reflect inflation costs in order not to affect the Program's scope. Until 2006, this inflation estimate had been adequate. When the Virginia Department of Education's division of Support Services estimated that new constructions prices would increase 24%, we adjusted escalation in our estimate to cover this dramatic increase.

We also anticipated a slight decline in enrollment over the period of the plan. Annual adjustments are made to reflect enrollment projections. In addition, we have adjusted school attendance boundaries as necessary as the City demographics and school capacities have changed over the life of the Program.

In the City's 2007-08 Capital Improvement Plan, funding was provided from FY2008 through FY2011 to replace Simonsdale Elementary School. In FY2009, the new school was deleted from the City's 2008-09 CIP due to declining revenue. It was anticipated that funding for this project from the City's CIP

would not be restored until FY2013. To facilitate the construction of the new school to improve the educational environment for our students without having to wait for funding from the City, the Portsmouth Public School Division considered proposals to enter into a public-private partnership to construct and finance the new Simonsdale Elementary School. Ultimately, we were able to obtain funding for the new Simonsdale Elementary School through Qualified School Construction Bonds under the American Recovery and Reinvestment Act (ARRA).

In 2012, the plan was again updated. It included the Superintendent's instructional program goals that included gymnasiums for all elementary schools. Due to the major changes in funding as a result of the economic downturn, the CIP focuses largely on capital maintenance projects that will extend the useful economic life of a school from 60 to 75 years. Over the next few years, we will need to replace the roof on at least five schools. HVAC systems will require replacement or upgrade in at least six schools. These much-needed improvements will be accomplished as funding will allow. These improvements will contribute to the extension of useful economic life which will significantly impact capital maintenance requirements while reducing the need for more costly school plant replacements.

Financial Section

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SIGNIFICANT TRENDS

State and City funds are our two largest sources of revenue representing 98% of our total revenue for fiscal year 2014. Although the dollar amount of state funding has increased in the past, the portion of our budget that it represented decreased. We are dependent on the City to make up the difference. This gap became critical when state school funds decreased by \$8.1 million and \$9.5 million for fiscal years 2009 and 2010 while the City's appropriation for education was reduced in 2010 and remained level for 2011. As the local composite index rises and the City appropriation does not make up the difference in state funding, providing a first-rate education for the students in Portsmouth becomes a challenge.

Our state monies are determined by our Average Daily Membership (ADM) and the local composite index. State sales tax revenues represent 1½% which is the educational component of the tax that is distributed to all school districts based upon the number of school-age children who reside in the division. State School Funds consist of the Standards of Quality (SOQ) payments, incentive funds, and categorical amounts established by the State General Assembly.

The Composite Index of Local Ability to Pay is calculated using three indicators of a locality's ability-to-pay: true value of real property (weighted 50%), adjusted gross income (weighted 40%), and taxable retail sales (weighted 10%). Each locality's index is adjusted to maintain an overall *statewide* local share of 45 percent and an overall state share of 55 percent. The index is recalculated every two years. As a locality's index increases, the state's share of its funding declines and the amount the locality should be able to pay increases.

City funds consist of monies appropriated by the City of Portsmouth. Since the school division is fiscally dependent on the City, we cannot levy taxes to directly support education. The allocation to schools in the City budget is approximately 12%. According to the 2010 Census, the median value of a home in Portsmouth is \$81,300. The owner of such a home will owe a tax bill of \$1032 based on the \$1.27 tax per \$100 of assessed value and that homeowner will contribute approximately \$124 toward education.

In addition to State and local funds, we receive Federal funding, which primarily consists of Impact Aid from the United States Government for the loss of tax revenue because federal property is not subject to local and state taxes. Approximately 54% of property in the City is tax exempt due in large part to military installations and religious organizations. Also included in federal funding in the general fund is money for the Junior Reserve Officer Training Corps.

Significant funding from the federal government is received in the form of grants associated with No Child Left Behind, Title I, Title VI-B, Special Education, and Education Technology. These grants allow the division to offer programs that might not be funded through the general fund. In addition to these large grants, the division aggressively seeks competitive grant funds to further its mission. Revenue and expenditures related to these and other grants are detailed in the Grants Fund.

Other Funds consist of monies from rental of our facilities, non-resident tuition, summer school tuition, rebates, refunds, proceeds from the sale of surplus property, and E-Rate. The E-Rate program is part of the Universal Services subsidy program of the Telecommunications Act of 1996 and provides discounts on all telecommunications services and advanced telecommunications to schools, libraries, and rural health care organizations. The E-Rate program is regulated by the FCC and is funded by fees charged to interstate telecommunication providers.

By law, the School Board may not enter into debt or issue bonds.

BUDGET ITEMS NOT APPROVED

The Superintendent's budget team meets throughout the school year to consider expense requirements and fluctuations in revenue available. The team first identifies those items that are a "must fund" priority for the division. After looking at projected enrollment, the Superintendent decides if any teaching and support positions should be eliminated. At this point, if anticipated revenue exceeds anticipated expenditures, the Superintendent (with School Board input) prioritizes additional projects or programs that could be funded for the upcoming year.

While anticipated revenue was not expected to provide any excess, the Board felt that it was important to request funding for additional teaching positions to address growing class sizes, funding for kindergarten teaching assistants, and funding for a raise for all employees. These issues were the three major goals that principals asked the School Board to address. When the appropriation from the City Council did not include fully funding the additional paraprofessional positions, the School Board passed a resolution asking the City Council to specifically appropriate and fund these positions. As of publication, the City Council has not acted on that request and the paraprofessionals have not been hired.

POST-EMPLOYMENT HEALTH CARE BENEFITS

The School Board provides medical insurance benefits to eligible retirees and their spouses in accordance with the division's personnel policies and procedures. An Other Post-employment Benefit (OPEB) trust was established for the purpose of accumulating and investing assets to fund the medical insurance benefits obligations. As of June 30, 2012 health plan membership consisted of 2,075 active service participants and 70 retirees and beneficiaries receiving benefits. For fiscal year ending June 30, 2012, the School Board contributed \$7,002,500 toward current benefits and to prefund benefits. The annual OPEB cost is based on the annual required contribution (ARC) which represents a level of funding that would cover normal costs each year over a thirty-year period.

The School Board's annual OPEB costs, the percentage of annual OPEB cost contributed to the plan, and the net OPEB asset over the past three years are illustrated below from the School Board's 2012 Comprehensive Annual Financial Report:

| Fiscal Year | Annual OPEB Cost | Employer Contributions | Percentage of Annual OPEB Cost contributed | Net OPEB Obligation (Asset) |
|-------------|------------------|------------------------|--|-----------------------------|
| 2012 | \$ 1,050,365 | \$ 7,002,500 | 667% | \$ (6,539,588) |
| 2011 | \$ 1,005,217 | \$ 1,000,000 | 99% | \$ (587,453) |
| 2010 | \$ 1,025,000 | \$ 1,000,000 | 98% | \$ (592,670) |

CAPITAL EXPENDITURES

In Virginia, School Boards do not have the authority to incur debt for facility capital projects. Therefore, our capital projects are included in the City of Portsmouth's CIP Budget.

DEBT OBLIGATIONS

By law, the School Board may not issue bonds or enter into debt. In 2005, the School Board entered into an \$8.5 million Energy Performance contract with Ameresco, Inc. that was funded by a lease through Citimortgage, now PNC Equipment Finance LLC. The investment will be paid back from guaranteed energy savings over the 12-year period of the lease. The payment schedule follows.

| <u>Fiscal</u> | | | | | <u>Total</u> |
|---------------|----|---------------------|----|------------------|---------------------|
| <u>Year</u> | | <u>Principal</u> | | <u>Interest</u> | <u>Payment</u> |
| 2007 | \$ | 388,468.88 | \$ | 389,578.28 | \$ 778,047.15 |
| 2008 | | 482,776.49 | | 318,612.10 | 801,388.59 |
| 2009 | | 525,847.61 | | 299,582.68 | 825,430.29 |
| 2010 | | 571,337.69 | | 278,855.54 | 850,193.23 |
| 2011 | | 619,363.73 | | 256,335.33 | 875,699.06 |
| 2012 | | 670,047.96 | | 231,922.10 | 901,970.06 |
| 2013 | | 723,518.12 | | 205,511.06 | 929,029.18 |
| 2014 | | 779,907.67 | | 176,992.41 | 956,900.08 |
| 2015 | | 839,356.05 | | 146,251.08 | 985,607.13 |
| 2016 | | 902,008.88 | | 113,166.49 | 1,015,175.37 |
| 2017 | | 968,018.32 | | 77,612.33 | 1,045,630.65 |
| 2018 | | <u>1,001,006.60</u> | | <u>39,456.31</u> | <u>1,040,462.91</u> |
| | \$ | 8,471,658.00 | \$ | 2,533,875.70 | \$ 11,005,533.70 |

SCHOOL BOARD FUNDS

Portsmouth Public Schools reports the following major governmental funds:

General Fund - The School Board General Fund is the basic funding plan for the schools. It includes funds for the fiscal operation of the school system and is used to account for all financial resources except those required to be accounted for in another fund.

Reprographics Fund – This enterprise fund accounts for the revenues and expenditures of the Portsmouth City Public Schools’ Printing Center. The Fund supplies printing and graphic services to the City of Portsmouth, outside entities, and functional units in the School Board on a cost reimbursement basis.

Cafeteria Fund - The Cafeteria fund is a special revenue fund that supports food services operations at the division’s schools.

Grants Fund - The Grants fund provides assistance for particular federal, state, and local programs. These grants encourage recipient divisions to expand expenditures to support certain instructional programs. Significant funding from the federal government is received in the form of grants associated with No Child Left Behind, Title I, Title VI-B, Special Education, and Education Technology. These grants allow the division to offer programs that might not be funded through the general fund. In addition to these large grants, the division aggressively seeks competitive grant funds to further its mission.

Risk Management and Insurance Fund - The Risk Management and Insurance fund is an internal service fund that accounts for all insurance premiums and workers’ compensation claims for which the School Board is liable and for the payment of claims and legal fees, if necessary, on public liability claims arising from the operations of the School Board.

Textbook Fund - The Textbook fund records revenues and expenditures for textbooks. Historically, the State General Assembly authorizes the Textbook fund balance to be carried forward each fiscal year.

Construction Fund – The Construction fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities. We plan to close this fund by December 2013. All construction projects will flow through the City Capital Improvement Program.

| <u>ALL FUNDS OVERVIEW</u> | | | | | |
|---|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| FUNDS | 2009-10 BUDGET | 2010-11 BUDGET | 2011-12 BUDGET | 2012-13 BUDGET | 2013-14 BUDGET |
| GENERAL FUND | 148,932,186 | 135,026,725 | 138,988,935 | 140,309,693 | 134,312,293 |
| REPROGRAPHICS FUND | 747,984 | 591,038 | 701,699 | 691,708 | 981,511 |
| CAFETERIA FUND | 7,149,610 | 6,884,101 | 7,156,803 | 7,604,000 | 8,220,504 |
| GRANTS FUND | 22,011,956 | 22,480,450 | 23,001,044 | 19,357,340 | 17,146,860 |
| RISK MANAGEMENT & INSURANCE FUND | 1,655,702 | 955,702 | 955,702 | 955,702 | 955,702 |
| TEXTBOOK FUND | 1,308,840 | 559,649 | 567,840 | 1,297,980 | 1,278,948 |
| GRAND TOTAL EXPENDITURES-ALL FUNDS | <u>181,806,278</u> | <u>166,497,665</u> | <u>171,372,023</u> | <u>170,216,423</u> | <u>162,895,818</u> |

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GENERAL FUND REVENUE CATEGORIES

Revenue for the school division is received from state, local, and federal governing bodies.

CITY FUNDS includes the appropriation approved by the City Council. The locality is required to match a portion of the funding from the State.

FEDERAL FUNDS includes impact aid and is subject to the federal budget process. Funds authorized through the American Recovery and Reinvestment Act of 2009 (ARRA) expired in 2012. Categorical funds are for specific programs.

OTHER FUNDS includes E-Rate, non-resident tuition, fees and rents from the use of school buildings, and proceeds from sale of surplus property. The E-Rate program is part of the Universal Services subsidy program of the Telecommunications Act of 1996. The subsidy program is to provide discounts on all telecommunications services and advanced telecommunications to schools, libraries, and rural health care organizations. The E-Rate program is regulated by the FCC and calls for discounts of 20 to 90 percent on all telecommunications services, Internet access, and internal connections for schools and libraries, depending on the applicant's location and economic status. The program is funded by fees charged to interstate telecommunication providers.

STATE SALES TAXES in the amount of one and one-eighth cent is distributed by the state for public education. Previously, a census was conducted every three years by each locality to determine the number of school-aged children who reside within the city to determine the distribution of sales tax to the school division. In 2010, the Virginia General Assembly voted to eliminate the triennial census and to base the distribution of sales tax on an annual estimate of the school-age population of a school division done by the Weldon Cooper Center for Public Service at the University of Virginia.

STATE FUNDS includes funding for basic aid to support the Standards of Quality (SOQ), categorical aid, and incentive program revenue to support specific programs and initiatives.

GENERAL FUND

REVENUE DETAIL SECTION

CITY FUNDS

| | |
|--------------------------------|----------------------|
| APPROP - OPERATIONS | 43,900,000 |
| REAPPROPRATION OF SCHOOL FUNDS | 3,400,000 |
| TOTAL CITY FUNDS | \$ 47,300,000 |

FEDERAL FUNDS

| | |
|----------------------------|-------------------|
| IMPACT AID | 525,000 |
| JROTC | 175,000 |
| TOTAL FEDERAL FUNDS | \$ 700,000 |

OTHER FUNDS

| | |
|--------------------------------|---------------------|
| FROM OTHER FUNDS | 16,200 |
| INDIRECT COSTS | 505,910 |
| INTEREST ON INVESTMENT | 273,104 |
| OTHER REFUNDS/REBATES | 20,000 |
| RENTS | 100,000 |
| SALE OF OTHER EQUIPMENT | 15,000 |
| TRANSPORTATION STUDENT | 271,000 |
| TUIT FR ANOTHER COUNTY OR CITY | 200,000 |
| TUITION - SUMMER SCHOOL | 26,800 |
| VA MEDICAL ASSISTANCE PROGRAM | 196,986 |
| TOTAL OTHER FUNDS | \$ 1,625,000 |

STATE SALES TAX

\$ 14,821,566

STATE FUNDS

| | |
|---------------------------------|----------------------|
| ASSISTANCE RETIREMENT INFLATION | 793,661 |
| ADULT EDUCATION | 46,635 |
| AT RISK | 2,562,934 |
| BASIC AID | 41,049,253 |
| COMPENSATION SUPPLEMENT | 1,073,532 |
| CTE - ADULT | 48,840 |
| ESL | 68,253 |
| GIFTED EDUCATION SOQ | 475,020 |
| GROUP LIFE INS INSURANCE | 175,551 |
| HOMEBOUND | 120,941 |
| ISAP | 39,293 |
| K-3 PRIM CLASS REDUCTION | 3,224,587 |
| MENTOR TEACHER PROGRAM | 9,811 |
| PREV/INTERV/REMEDI SOQ | 2,282,160 |
| REGIONAL TUITION PROGRAM | 2,916,136 |
| REGULAR FOSTER CHILDREN | 124,768 |
| REMEDI SUMMER SCHOOL | 164,490 |
| SOCIAL SECURITY | 2,808,812 |
| SPECIAL ED IN JAILS | 88,169 |
| SPECIAL EDUCATION SOQ | 6,226,889 |
| TCHR RETIREMENT | 4,688,238 |
| VOCATIONAL ED SOQ | 877,754 |
| TOTAL STATE FUNDS | \$ 69,865,727 |

TOTAL REVENUES

\$ 134,312,293

GENERAL FUND EXPENDITURE CATEGORIES

Projected expenditures consist of cost estimates for the operation of regular day school, summer school, adult education programs, and other education programs. The Operating Budget classifications are: Instruction; Administration, Attendance and Health; Pupil Transportation; Operations and Maintenance; Facilities; Technology; and Debt and Fund Transfers. Each of these classifications is further broken into expenditure types. The largest expenditure in the General Fund is associated with personnel for salaries and benefits. The budget approved by the School Board for FY 2012 does not include any raises or step increases and continues to trim staffing through attrition.

Within each of the seven categories, Instruction; Administration, Attendance, and Health; Pupil Transportation; Operations, Maintenance, and Facilities; Technology; and Debt Service and Fund Transfers, the following expenditure types are utilized. A brief description of each expenditure category follows:

SALARIES provides for all payroll costs for full-time and part-time employees, as well as overtime expenses, supplements and other allowances.

FRINGE BENEFITS provides for all fringe benefits including Social Security, life insurance, retirement, medical insurance, and unemployment.

PURCHASED SERVICES provides for all contractual services required by the School Board; i.e., printing, maintenance agreements, advertising expenses, and other contracted services.

OTHER CHARGES provides for payments of utilities, postage, telecommunications, insurance, rentals, travel, and other miscellaneous charges.

MATERIALS AND SUPPLIES provides for expenditures for articles and commodities which are consumed.

CAPITAL OUTLAY provides expenditures for new equipment and replacement equipment. Items that are appropriate in this category include computer equipment, furniture, educational and audiovisual equipment, motor vehicles, communications equipment and medical equipment. This category excludes any major capital outlays associated with facilities acquired or constructed. These capital outlays are included in the City's CIP Budget.

FUND TRANSFERS accounts for the conveying of funds between the seven expenditure categories listed above and from one fund (e.g., School General Fund) to another fund (e.g., Textbook Fund, Grants Fund, and Risk Management Fund).

GENERAL FUND EXPENDITURE OVERVIEW

| EXPENDITURE CATEGORIES | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| INSTRUCTION | 94,153,055 | 90,751,877 | 94,242,270 | 102,938,963 | 95,675,205 |
| ADMINISTRATION, ATTENDANCE AND HEALTH | 7,635,638 | 7,074,457 | 13,470,907 | 7,019,793 | 6,502,400 |
| TRANSPORTATION | 6,579,935 | 6,309,562 | 6,583,955 | 7,052,134 | 6,502,400 |
| OPERATIONS | 10,436,946 | 9,985,942 | 9,248,501 | 10,577,129 | 13,004,800 |
| FACILITIES | 5,367,150 | 5,270,172 | 4,832,696 | 5,201,301 | 3,901,440 |
| TECHNOLOGY | 5,139,481 | 3,599,079 | 4,042,518 | 3,801,889 | 5,201,920 |
| FUND TRANSFERS | 11,173,948 | 14,039,067 | 4,116,929 | 3,718,484 | 3,524,128 |
| TOTAL EXPENDITURES | 140,486,153 | 137,030,156 | 136,537,776 | 140,309,693 | 134,312,293 |

GENERAL FUND INSTRUCTION OVERVIEW

Instruction expenditures deal directly with the interaction between teachers and students.

| EXPENDITURE CATEGORIES | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| SALARY AND BENEFITS: | | | | | |
| SALARIES: | | | | | |
| ASSISTANT PRINCIPAL | 2,378,290 | 2,221,923 | 2,172,693 | 2,548,280 | 2,173,516 |
| ASSISTANT SUPERINTENDENT | 124,913 | 125,986 | 126,136 | 135,125 | 145,815 |
| CLERICAL | 2,450,206 | 2,399,187 | 2,415,615 | 2,402,820 | 2,464,947 |
| DIR / SUPV / MNGR / COORD | 1,380,562 | 1,460,147 | 1,544,081 | 1,716,060 | 1,544,693 |
| LIBRARIAN | 1,322,719 | 1,251,022 | 1,220,465 | 1,275,898 | 1,205,456 |
| OTHER PROFESSIONAL | 835,007 | 842,293 | 883,894 | 954,933 | 1,042,542 |
| INSTRUCTIONAL ASSISTANT | 3,515,418 | 3,082,137 | 3,087,174 | 3,411,656 | 3,203,972 |
| PRINCIPAL | 2,229,691 | 2,140,519 | 2,139,980 | 2,399,668 | 2,308,526 |
| SECURITY GUARD | 5,743 | 6,795 | 7,976 | 6,800 | 6,800 |
| SUB INSTRUCTIONAL ASSISTANT | 13,449 | 4,874 | 2,175 | - | - |
| SUB TEACHER | 995,585 | 763,925 | 704,353 | 831,736 | 701,137 |
| SUB CLERICAL | 3,121 | 9,595 | 232 | - | - |
| SUB LIBRARIAN | - | 140 | 70 | - | - |
| SUPPLEMENTS | 757,897 | 699,079 | 631,231 | 726,539 | 764,072 |
| TEACHER | 47,818,284 | 46,383,593 | 45,822,652 | 51,493,658 | 50,021,731 |
| TECHNICAL SUPPORT | 795,690 | 740,381 | 673,337 | 711,205 | 683,313 |
| BENEFITS: | | | | | |
| FICA | 4,836,825 | 4,749,963 | 4,628,733 | 4,164,232 | 4,197,981 |
| HEALTH INSURANCE | 7,369,706 | 9,444,199 | 9,029,239 | 11,656,243 | 10,622,032 |
| LIFE INSURANCE | 345,654 | 169,309 | 164,131 | 754,960 | 722,472 |
| UNEMPLOYMENT COMPENSATION | 131,881 | 138,882 | 217,365 | 300,000 | 300,000 |
| VRS | 6,925,812 | 5,391,880 | 6,641,852 | 8,392,114 | 7,073,990 |
| VRS HEALTH INSURANCE CREDIT | 453,872 | 362,230 | 351,679 | 704,305 | 673,987 |
| TOTAL SALARY AND BENEFITS: | 84,690,325 | 82,388,059 | 82,465,063 | 94,586,232 | 89,856,982 |
| NON-SALARY: | | | | | |
| PURCHASED SERVICES | 1,344,587 | 1,678,630 | 1,475,424 | 1,713,683 | 1,301,039 |
| OTHER CHARGES | 1,629,824 | 579,857 | 703,730 | 592,128 | 589,533 |
| MATERIALS AND SUPPLIES | 1,634,040 | 1,270,772 | 4,935,715 | 1,332,584 | 1,235,443 |
| EQUIPMENT | 328,321 | 417,346 | 302,393 | 325,757 | 303,629 |
| TUITION | 4,525,958 | 4,417,213 | 4,359,945 | 4,388,579 | 2,388,579 |
| TOTAL NON-SALARY: | 9,462,730 | 8,363,818 | 11,777,207 | 8,352,731 | 5,818,223 |
| TOTAL EXPENDITURES | 94,153,055 | 90,751,877 | 94,242,270 | 102,938,963 | 95,675,205 |

INSTRUCTION CLASSROOM INSTRUCTION

Expenditures under Classroom Instruction are those that are associated with instruction in the classroom, including salaries for teachers and paraprofessionals. Also included are expenditures for instructional supplies, replacement equipment, and new equipment.

| EXPENDITURE CATEGORIES | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| SALARY AND BENEFITS: | | | | | |
| SALARIES: | | | | | |
| CLERICAL | 20,119 | 6,529 | 15,002 | 15,000 | 15,000 |
| DIR / SUPV / MNGR / COORD | 8,271 | - | - | - | - |
| LIBRARIAN | 19,425 | 16,737 | 15,994 | 17,000 | 17,000 |
| OTHER PROFESSIONAL | 145,807 | 201,116 | 142,481 | 160,134 | 237,056 |
| INSTRUCTIONAL ASSISTANT | 3,515,418 | 3,082,137 | 3,087,174 | 3,411,656 | 3,203,972 |
| PRINCIPAL | 8,086 | 7,423 | 8,580 | 9,000 | 9,000 |
| SECURITY GUARD | 5,743 | 6,795 | 7,976 | 6,800 | 6,800 |
| SUB INSTRUCTIONAL ASSISTANT | 13,449 | 4,874 | 2,175 | - | - |
| SUB TEACHER | 992,080 | 762,661 | 693,976 | 831,736 | 701,137 |
| SUPPLEMENTS | 745,897 | 687,079 | 629,669 | 714,539 | 752,072 |
| TEACHER | 45,135,108 | 43,641,803 | 43,146,001 | 48,656,128 | 47,264,762 |
| BENEFITS: | | | | | |
| FICA | 3,790,766 | 3,729,409 | 3,607,857 | 3,190,804 | 3,240,357 |
| HEALTH INSURANCE | 5,885,510 | 7,592,318 | 7,247,772 | 9,195,216 | 8,592,699 |
| LIFE INSURANCE | 266,445 | 132,402 | 127,427 | 586,373 | 566,112 |
| UNEMPLOYMENT COMPENSATION | 129,634 | 125,714 | 209,191 | 300,000 | 300,000 |
| VRS | 5,362,638 | 4,214,744 | 5,156,162 | 6,741,340 | 5,542,966 |
| VRS HEALTH INSURANCE CREDIT | 349,940 | 283,179 | 273,022 | 547,044 | 528,126 |
| TOTAL SALARY AND BENEFITS: | 66,394,336 | 64,494,920 | 64,370,459 | 74,382,770 | 70,977,059 |
| NON-SALARY: | | | | | |
| PURCHASED SERVICES | 910,103 | 1,357,606 | 1,168,084 | 1,282,581 | 907,532 |
| OTHER CHARGES | 891,432 | 424,063 | 433,239 | 376,585 | 390,653 |
| MATERIALS AND SUPPLIES | 949,926 | 675,408 | 3,630,337 | 732,895 | 673,802 |
| EQUIPMENT | 187,807 | 118,149 | 223,079 | 135,557 | 116,819 |
| TUITION - OTHER | 7,379 | 70,000 | 70,000 | 70,000 | 70,000 |
| TUITION - SECEP | 4,518,579 | 4,347,213 | 4,289,945 | 4,318,579 | 2,318,579 |
| TOTAL NON-SALARY: | 7,465,226 | 6,992,439 | 9,814,684 | 6,916,197 | 4,477,385 |
| TOTAL EXPENDITURES | 73,859,562 | 71,487,359 | 74,185,143 | 81,298,967 | 75,454,444 |

INSTRUCTION GUIDANCE SERVICES

Expenditures under Guidance Services are those associated with counseling students and parents, evaluating the abilities of students, assisting students as they make educational and career plans and working with staff members in planning and conducting guidance programs for students.

| EXPENDITURE CATEGORIES | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| SALARY AND BENEFITS: | | | | | |
| SALARIES: | | | | | |
| CLERICAL | 153,263 | 158,253 | 167,175 | 161,602 | 164,837 |
| TEACHER | 1,960,215 | 1,951,025 | 1,882,220 | 1,951,297 | 1,912,411 |
| SUB TEACHER | 3,505 | 1,264 | 10,377 | - | - |
| BENEFITS: | | | | | |
| FICA | 157,999 | 157,878 | 154,233 | 131,474 | 129,491 |
| HEALTH INSURANCE | 227,173 | 288,764 | 274,178 | 354,868 | 300,348 |
| LIFE INSURANCE | 11,560 | 5,715 | 5,622 | 25,164 | 23,217 |
| UNEMPLOYMENT COMPENSATION | 970 | 9,828 | 6,408 | - | - |
| VRS | 230,157 | 182,105 | 227,616 | 246,385 | 227,310 |
| VRS HEALTH INSURANCE CREDIT | 15,153 | 12,252 | 12,048 | 23,474 | 21,657 |
| TOTAL SALARY AND BENEFITS: | 2,759,995 | 2,767,084 | 2,739,877 | 2,894,264 | 2,779,271 |
| NON-SALARY: | | | | | |
| OTHER CHARGES | 3,645 | 3,669 | 3,178 | 4,797 | 4,581 |
| MATERIALS AND SUPPLIES | 19,792 | 15,978 | 18,309 | 16,278 | 14,868 |
| EQUIPMENT | 2,430 | 1,061 | 1,619 | 2,125 | 2,125 |
| TOTAL NON-SALARY: | 25,867 | 20,708 | 23,106 | 23,200 | 21,574 |
| TOTAL EXPENDITURES | 2,785,862 | 2,787,792 | 2,762,983 | 2,917,464 | 2,800,845 |

INSTRUCTION SOCIAL WORKER SERVICES

Expenditures under School Social Worker Services are those associated with programs designed to improve student attendance at school and that attempt to prevent or solve student problems involving the home, the school, and the community.

| EXPENDITURE CATEGORIES | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| SALARY AND BENEFITS: | | | | | |
| SALARIES: | | | | | |
| OTHER PROFESSIONAL | 288,890 | 288,102 | 441,697 | 496,393 | 501,268 |
| BENEFITS: | | | | | |
| FICA | 21,907 | 21,600 | 33,099 | 33,749 | 35,320 |
| HEALTH INSURANCE | 21,367 | 29,051 | 51,514 | 66,096 | 61,254 |
| LIFE INSURANCE | 1,676 | 797 | 1,227 | 5,910 | 5,858 |
| VRS | 33,165 | 25,415 | 49,624 | 57,883 | 57,368 |
| VRS HEALTH INSURANCE CREDIT | 2,207 | 1,708 | 2,629 | 5,513 | 5,464 |
| TOTAL SALARY AND BENEFITS: | 369,212 | 366,673 | 579,790 | 665,544 | 666,532 |
| NON-SALARY: | | | | | |
| OTHER CHARGES | - | - | 1,279 | 2,263 | 2,099 |
| MATERIALS AND SUPPLIES | - | - | 84 | 85 | 85 |
| TOTAL NON-SALARY: | - | - | 1,363 | 2,348 | 2,184 |
| TOTAL EXPENDITURES | 369,212 | 366,673 | 581,153 | 667,892 | 668,716 |

INSTRUCTION HOMEBOUND SERVICES

Expenditures under Homebound Instruction are those associated with activities designed to meet the educational needs of qualifying students who are unable to attend regular school.

| EXPENDITURE CATEGORIES | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| SALARY AND BENEFITS: | | | | | |
| SALARIES: | | | | | |
| CLERICAL | 22,275 | - | - | - | - |
| TEACHER | 109,040 | 71,682 | 72,664 | 73,058 | 73,058 |
| BENEFITS: | | | | | |
| FICA | 9,965 | 5,452 | 5,523 | 5,589 | 5,589 |
| HEALTH INSURANCE | 6,635 | - | - | - | - |
| LIFE INSURANCE | 492 | - | - | - | - |
| VRS | 8,951 | - | 157 | - | - |
| VRS HEALTH INSURANCE CREDIT | 648 | - | - | - | - |
| TOTAL SALARY AND BENEFITS: | 158,006 | 77,134 | 78,344 | 78,647 | 78,647 |
| NON-SALARY: | | | | | |
| MATERIALS AND SUPPLIES | 125 | 181 | - | 479 | 445 |
| TOTAL NON-SALARY: | 125 | 181 | - | 479 | 445 |
| TOTAL EXPENDITURES | 158,131 | 77,315 | 78,344 | 79,126 | 79,092 |

INSTRUCTION IMPROVEMENT OF INSTRUCTION

Expenditures in this area are those associated with assisting the instructional staff with the content and process of providing learning experiences for students. Activities may include curriculum development, techniques of instruction, and staff training.

| EXPENDITURE CATEGORIES | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| SALARY AND BENEFITS: | | | | | |
| SALARIES: | | | | | |
| ASSISTANT SUPERINTENDENT | 124,913 | 125,986 | 126,136 | 135,125 | 145,815 |
| CLERICAL | 733,297 | 738,112 | 744,693 | 751,628 | 766,498 |
| DIR / SUPV / MNGR / COORD | 1,298,753 | 1,385,879 | 1,459,542 | 1,639,598 | 1,466,702 |
| OTHER PROFESSIONAL | 254,985 | 188,810 | 189,410 | 198,962 | 202,784 |
| PRINCIPAL | 46,275 | - | - | - | - |
| SUPPLEMENTS | 12,000 | 12,000 | 1,562 | 12,000 | 12,000 |
| TEACHER | 544,699 | 649,112 | 651,646 | 738,345 | 695,224 |
| TECHNICAL SUPPORT | 756,133 | 700,470 | 633,985 | 675,047 | 646,432 |
| BENEFITS: | | | | | |
| FICA | 276,587 | 279,987 | 281,622 | 281,628 | 272,429 |
| HEALTH INSURANCE | 372,830 | 490,139 | 484,787 | 642,229 | 564,343 |
| LIFE INSURANCE | 21,925 | 10,536 | 10,464 | 49,140 | 44,707 |
| VRS | 431,834 | 336,291 | 423,392 | 481,206 | 437,792 |
| VRS HEALTH INSURANCE CREDIT | 28,627 | 22,538 | 22,423 | 45,840 | 41,705 |
| TOTAL SALARY AND BENEFITS: | 4,902,858 | 4,939,860 | 5,029,662 | 5,650,748 | 5,296,431 |
| NON-SALARY: | | | | | |
| PURCHASED SERVICES | 404,609 | 296,676 | 284,051 | 406,013 | 370,601 |
| OTHER CHARGES | 681,482 | 113,758 | 226,621 | 153,157 | 139,469 |
| MATERIALS AND SUPPLIES | 541,167 | 465,082 | 1,186,607 | 462,514 | 441,473 |
| EQUIPMENT | 84,215 | 253,728 | 23,490 | 143,675 | 143,274 |
| TOTAL NON-SALARY: | 1,711,473 | 1,129,244 | 1,720,769 | 1,165,359 | 1,094,817 |
| TOTAL EXPENDITURES | 6,614,331 | 6,069,104 | 6,750,431 | 6,816,107 | 6,391,248 |

INSTRUCTION MEDIA SERVICES

Expenditures under media Services are those associated with activities concerned with the use of all teaching and learning resources, including hardware, software, and content materials.

| EXPENDITURE CATEGORIES | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| SALARY AND BENEFITS: | | | | | |
| SALARIES: | | | | | |
| CLERICAL | 194,747 | 175,698 | 159,065 | 151,053 | 170,570 |
| DIR / SUPV / MNGR / COORD | 73,538 | 74,268 | 84,539 | 76,462 | 77,991 |
| LIBRARIAN | 1,303,294 | 1,234,285 | 1,204,471 | 1,258,898 | 1,188,456 |
| OTHER PROFESSIONAL | 145,325 | 164,265 | 110,306 | 99,444 | 101,434 |
| TEACHER | 69,222 | 69,971 | 70,121 | 74,830 | 76,276 |
| TECHNICAL SUPPORT | 39,557 | 39,911 | 39,352 | 36,158 | 36,881 |
| SUB LIBRARIAN | - | 140 | 70 | - | - |
| BENEFITS: | | | | | |
| FICA | 136,043 | 131,909 | 125,108 | 108,375 | 98,397 |
| HEALTH INSURANCE | 232,970 | 270,143 | 242,888 | 347,511 | 255,594 |
| LIFE INSURANCE | 10,072 | 4,781 | 4,471 | 20,209 | 17,372 |
| VRS | 201,601 | 152,394 | 180,939 | 197,868 | 170,085 |
| VRS HEALTH INSURANCE CREDIT | 13,217 | 10,240 | 9,583 | 18,849 | 16,205 |
| UNEMPLOYMENT COMPENSATION | - | 3,340 | - | - | - |
| TOTAL SALARY AND BENEFITS: | 2,419,586 | 2,331,345 | 2,230,913 | 2,389,657 | 2,209,261 |
| NON-SALARY: | | | | | |
| PURCHASED SERVICES | 26,830 | 21,728 | 21,226 | 21,728 | 20,536 |
| OTHER CHARGES | 4,373 | 5,206 | 3,583 | 5,760 | 3,521 |
| MATERIALS AND SUPPLIES | 67,213 | 64,813 | 59,922 | 67,583 | 60,762 |
| EQUIPMENT | 18,393 | 10,233 | 18,581 | 12,992 | 12,992 |
| TOTAL NON-SALARY: | 116,809 | 101,980 | 103,312 | 108,063 | 97,811 |
| TOTAL EXPENDITURES | 2,536,395 | 2,433,325 | 2,334,225 | 2,497,720 | 2,307,072 |

INSTRUCTION OFFICE OF THE PRINCIPAL

Expenditures under Office of the Principal are those associated with activities concerned with the overall administration of a school. This includes the activities performed by the principal, the assistant principal, and the clerical staff who work in a particular school to support teaching and administrative functions.

| EXPENDITURE CATEGORIES | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| SALARY AND BENEFITS: | | | | | |
| SALARIES: | | | | | |
| ASSISTANT PRINCIPAL | 2,378,290 | 2,221,923 | 2,172,693 | 2,548,280 | 2,173,516 |
| CLERICAL | 1,326,505 | 1,320,595 | 1,329,680 | 1,323,537 | 1,348,042 |
| PRINCIPAL | 2,175,330 | 2,133,096 | 2,131,400 | 2,390,668 | 2,299,526 |
| SUB CLERICAL | 3,121 | 9,595 | 232 | - | - |
| BENEFITS: | | | | | |
| FICA | 443,558 | 423,728 | 421,291 | 412,613 | 416,398 |
| HEALTH INSURANCE | 623,221 | 773,784 | 728,100 | 1,050,323 | 847,794 |
| LIFE INSURANCE | 33,484 | 15,078 | 14,920 | 68,164 | 65,206 |
| UNEMPLOYMENT COMPENSATION | 1,277 | - | 1,766 | - | - |
| VRS | 657,466 | 480,931 | 603,962 | 667,432 | 638,469 |
| VRS HEALTH INSURANCE CREDIT | 44,080 | 32,313 | 31,974 | 63,585 | 60,830 |
| TOTAL SALARY AND BENEFITS: | 7,686,332 | 7,411,043 | 7,436,018 | 8,524,602 | 7,849,781 |
| NON-SALARY: | | | | | |
| PURCHASED SERVICES | 3,045 | 2,620 | 2,063 | 3,361 | 2,370 |
| OTHER CHARGES | 48,892 | 33,161 | 35,830 | 49,566 | 49,210 |
| MATERIALS AND SUPPLIES | 55,817 | 49,310 | 40,456 | 52,750 | 44,008 |
| EQUIPMENT | 35,476 | 34,175 | 35,624 | 31,408 | 28,419 |
| TOTAL NON-SALARY: | 143,230 | 119,266 | 113,973 | 137,085 | 124,007 |
| TOTAL EXPENDITURES | 7,829,562 | 7,530,309 | 7,549,991 | 8,661,687 | 7,973,788 |

GENERAL FUND ADMINISTRATION, ATTENDANCE AND HEALTH OVERVIEW

Administration, Attendance and Health include activities associated with establishing and administering policy for Administration, Attendance and Health. Administration includes those activities concerned with establishing and administering Policy for the school division. Attendance and Health Services includes those activities whose primary purpose is the promotion and improvement of children's attendance at school.

| EXPENDITURE CATEGORIES | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| SALARY AND BENEFITS: | | | | | |
| SALARIES: | | | | | |
| ASSISTANT SUPERINTENDENT | 107,501 | 108,574 | 108,724 | 116,721 | - |
| ATTORNEY | - | - | - | - | 124,878 |
| BOARD MEMBER | 51,700 | 51,700 | 50,599 | 51,700 | 50,262 |
| CLERICAL | 1,127,513 | 1,074,497 | 1,106,909 | 1,122,308 | 1,026,886 |
| DIR / SUPV / MNGR / COORD | 917,775 | 892,705 | 894,022 | 956,250 | 863,912 |
| NURSE | 871,782 | 891,312 | 881,581 | 899,782 | 473,541 |
| OTHER PROFESSIONAL | 19,815 | 28,104 | 13,541 | 12,838 | 12,838 |
| PSYCHOLOGIST - DISTRICT | 505,993 | 489,649 | 327,811 | 316,988 | 691,189 |
| SUB NURSE | 2,890 | 2,380 | 5,367 | - | - |
| SUPERINTENDENT | 210,532 | 212,364 | 212,514 | 228,813 | 228,813 |
| TEACHER | 348,489 | 329,228 | 224,500 | 254,304 | 245,116 |
| BENEFITS: | | | | | |
| FICA | 297,285 | 294,622 | 276,903 | 261,551 | 290,909 |
| HEALTH INSURANCE | 443,148 | 530,954 | 492,664 | 676,129 | 611,769 |
| HEALTH INSURANCE RETIREE | 1,000,000 | 675,933 | 6,999,800 | 280,000 | - |
| LIFE INSURANCE | 22,641 | 10,924 | 10,072 | 45,633 | 48,261 |
| UNEMPLOYMENT COMPENSATION | 19,278 | 4,158 | 756 | - | - |
| VRS | 447,004 | 348,820 | 407,335 | 446,739 | 472,489 |
| VRS HEALTH INSURANCE CREDIT | 29,763 | 23,384 | 21,584 | 42,568 | 45,017 |
| TOTAL SALARY AND BENEFITS: | 6,423,109 | 5,969,308 | 12,034,682 | 5,712,324 | 5,185,880 |
| NON-SALARY: | | | | | |
| PURCHASED SERVICES | 787,295 | 663,265 | 910,195 | 783,946 | 803,751 |
| OTHER CHARGES | 300,891 | 365,734 | 441,965 | 438,581 | 447,834 |
| MATERIALS AND SUPPLIES | 60,171 | 73,826 | 65,849 | 72,481 | 59,699 |
| EQUIPMENT | 64,172 | 2,324 | 18,216 | 12,461 | 5,236 |
| TOTAL NON-SALARY: | 1,212,529 | 1,105,149 | 1,436,225 | 1,307,469 | 1,316,520 |
| TOTAL EXPENDITURES | 7,635,638 | 7,074,457 | 13,470,907 | 7,019,793 | 6,502,400 |

ADMINISTRATION, ATTENDANCE AND HEALTH BOARD SERVICES

Expenditures under Board Services are those associated with the activities of the School Board.

| EXPENDITURE CATEGORIES | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| SALARY AND BENEFITS: | | | | | |
| SALARIES: | | | | | |
| BOARD MEMBER | 51,700 | 51,700 | 50,599 | 51,700 | 50,262 |
| BENEFITS: | | | | | |
| FICA | 3,904 | 3,922 | 3,836 | 3,830 | 3,849 |
| HEALTH INSURANCE | 12,952 | 8,390 | 8,469 | 11,187 | - |
| TOTAL SALARY AND BENEFITS: | 68,556 | 64,012 | 62,904 | 66,717 | 54,111 |
| NON-SALARY: | | | | | |
| PURCHASED SERVICES | 50,873 | 61,559 | 234,473 | 67,700 | 201,109 |
| OTHER CHARGES | 55,707 | 61,433 | 47,827 | 53,953 | 47,953 |
| MATERIALS AND SUPPLIES | 12,032 | 11,482 | 11,785 | 14,138 | 8,704 |
| EQUIPMENT | - | - | - | 425 | 425 |
| TOTAL NON-SALARY: | 118,612 | 134,474 | 294,085 | 136,216 | 258,191 |
| TOTAL EXPENDITURES | 187,168 | 198,486 | 356,989 | 202,933 | 312,302 |

ADMINISTRATION, ATTENDANCE AND HEALTH EXECUTIVE ADMIN SERVICES

Expenditures under Executive Administration are those associated with executive responsibility of the school division.

| EXPENDITURE CATEGORIES | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| SALARY AND BENEFITS: | | | | | |
| SALARIES: | | | | | |
| ATTORNEY | - | - | - | - | 124,878 |
| CLERICAL | 139,534 | 143,236 | 148,549 | 163,245 | 150,053 |
| DIR / SUPV / MNGR / COORD | 95,651 | 96,541 | 96,691 | 103,525 | 105,546 |
| OTHER PROFESSIONAL | - | 7,745 | 12,910 | 12,838 | 12,838 |
| SUPERINTENDENT | 210,532 | 212,364 | 212,514 | 228,813 | 228,813 |
| BENEFITS: | | | | | |
| FICA | 27,534 | 28,013 | 29,600 | 29,994 | 30,181 |
| HEALTH INSURANCE | 40,439 | 52,101 | 56,243 | 75,105 | 59,553 |
| LIFE INSURANCE | 2,588 | 1,239 | 1,233 | 5,662 | 5,474 |
| VRS | 50,816 | 39,509 | 49,887 | 55,456 | 53,621 |
| VRS HEALTH INSURANCE CREDIT | 3,407 | 2,655 | 2,642 | 5,282 | 5,107 |
| TOTAL SALARY AND BENEFITS: | 570,501 | 583,403 | 610,269 | 679,920 | 776,064 |
| NON-SALARY: | | | | | |
| PURCHASED SERVICES | 20,919 | 34,111 | 34,052 | 41,885 | 36,876 |
| OTHER CHARGES | 28,833 | 24,745 | 36,728 | 52,301 | 52,523 |
| MATERIALS AND SUPPLIES | 9,586 | 8,693 | 11,488 | 8,607 | 8,222 |
| TOTAL NON-SALARY: | 59,338 | 67,549 | 82,268 | 102,793 | 97,621 |
| TOTAL EXPENDITURES | 629,839 | 650,952 | 692,537 | 782,713 | 873,685 |

ADMINISTRATION, ATTENDANCE AND HEALTH OFFICE OF BUDGET AND PLANNING

Expenditures in this area relate to the preparation of the budget and activities in support of long range planning for the division.

| EXPENDITURE CATEGORIES | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| SALARY AND BENEFITS: | | | | | |
| SALARIES: | | | | | |
| ASSISTANT SUPERINTENDENT | 107,501 | 108,574 | 108,724 | 116,721 | - |
| CLERICAL | 75,720 | 76,691 | 79,430 | 79,487 | 84,255 |
| BENEFITS: | | | | | |
| FICA | 13,651 | 13,487 | 14,131 | 13,772 | 5,897 |
| HEALTH INSURANCE | 13,978 | 25,169 | 24,604 | 31,812 | 20,844 |
| LIFE INSURANCE | 1,075 | 509 | 509 | 2,335 | 984 |
| VRS | 21,055 | 16,223 | 20,614 | 22,879 | 9,633 |
| VRS HEALTH INSURANCE CREDIT | 1,415 | 1,090 | 1,092 | 2,179 | 918 |
| TOTAL SALARY AND BENEFITS: | 234,395 | 241,743 | 249,104 | 269,185 | 122,531 |
| NON-SALARY: | | | | | |
| PURCHASED SERVICES | 35,097 | 42,905 | 48,376 | 50,116 | - |
| OTHER CHARGES | 1,583 | 1,067 | 2,371 | 3,100 | - |
| MATERIALS AND SUPPLIES | 673 | 7 | 875 | 2,295 | - |
| EQUIPMENT | - | - | - | 1,275 | - |
| TOTAL NON-SALARY: | 37,353 | 43,979 | 51,622 | 56,786 | - |
| TOTAL EXPENDITURES | 271,748 | 285,722 | 300,726 | 325,971 | 122,531 |

ADMINISTRATION, ATTENDANCE AND HEALTH PUBLIC INFORMATION SERVICES

Expenditures under Public Information Services include communications with staff, parents, and students as well as activities that promote the school division within the local community.

| EXPENDITURE CATEGORIES | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| SALARY AND BENEFITS: | | | | | |
| SALARIES: | | | | | |
| CLERICAL | 5,019 | - | - | - | - |
| DIR / SUPV / MNGR / COORD | 1,257 | - | - | - | - |
| BENEFITS: | | | | | |
| FICA | 481 | - | - | - | - |
| LIFE INSURANCE | 32 | - | - | - | - |
| UNEMPLOYMENT COMPENSATION | 9,828 | 4,158 | 756 | - | - |
| VRS | 567 | - | - | - | - |
| VRS HEALTH INSURANCE CREDIT | 43 | - | - | - | - |
| TOTAL SALARY AND BENEFITS: | 17,227 | 4,158 | 756 | - | - |
| NON-SALARY: | | | | | |
| PURCHASED SERVICES | 3,008 | - | - | - | - |
| TOTAL NON-SALARY: | 3,008 | - | - | - | - |
| TOTAL EXPENDITURES | 20,235 | 4,158 | 756 | - | - |

ADMINISTRATION, ATTENDANCE AND HEALTH HUMAN RESOURCES

Expenditures under Human Resources are those associated with maintaining the school division's staff. This includes activities such as recruitment and placement of staff, and employee benefits.

| EXPENDITURE CATEGORIES | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| SALARY AND BENEFITS: | | | | | |
| SALARIES: | | | | | |
| CLERICAL | 286,706 | 245,572 | 256,816 | 260,871 | 268,035 |
| DIR / SUPV / MNGR / COORD | 332,051 | 335,021 | 335,621 | 359,264 | 258,810 |
| BENEFITS: | | | | | |
| FICA | 43,207 | 43,430 | 44,719 | 43,948 | 42,183 |
| HEALTH INSURANCE | 58,347 | 71,834 | 66,574 | 87,063 | 82,524 |
| LIFE INSURANCE | 3,404 | 1,586 | 1,605 | 7,385 | 6,797 |
| VRS | 66,688 | 50,605 | 64,961 | 72,315 | 66,557 |
| VRS HEALTH INSURANCE CREDIT | 4,481 | 3,400 | 3,440 | 6,889 | 6,340 |
| TOTAL SALARY AND BENEFITS: | 794,884 | 751,448 | 773,736 | 837,735 | 731,246 |
| NON-SALARY: | | | | | |
| PURCHASED SERVICES | 40,243 | 38,054 | 98,351 | 69,080 | 66,388 |
| OTHER CHARGES | 126,271 | 124,653 | 98,110 | 122,300 | 122,041 |
| MATERIALS AND SUPPLIES | 18,030 | 17,686 | 12,445 | 18,500 | 13,500 |
| EQUIPMENT | 34,691 | - | 17,250 | - | - |
| TOTAL NON-SALARY: | 219,235 | 180,393 | 226,156 | 209,880 | 201,929 |
| TOTAL EXPENDITURES | 1,014,119 | 931,841 | 999,892 | 1,047,615 | 933,175 |

ADMINISTRATION, ATTENDANCE AND HEALTH FINANCIAL SERVICES

Expenditures under Financial Services are those associated with the fiscal operations of the school division. This includes activities such as budgeting, receiving and disbursing funds, and payroll processing.

| EXPENDITURE CATEGORIES | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| SALARY AND BENEFITS: | | | | | |
| SALARIES: | | | | | |
| CLERICAL | 451,088 | 444,425 | 442,548 | 445,114 | 353,884 |
| DIR / SUPV / MNGR / COORD | 321,309 | 324,744 | 324,775 | 347,050 | 344,078 |
| BENEFITS: | | | | | |
| FICA | 56,400 | 56,638 | 56,180 | 54,472 | 57,604 |
| HEALTH INSURANCE | 89,494 | 100,590 | 105,599 | 128,680 | 110,460 |
| HEALTH INSURANCE RETIREE | 1,000,000 | 675,933 | 6,999,800 | 280,000 | - |
| LIFE INSURANCE | 4,527 | 2,082 | 2,057 | 9,435 | 9,429 |
| VRS | 88,735 | 66,407 | 82,753 | 92,375 | 92,331 |
| VRS HEALTH INSURANCE CREDIT | 5,960 | 4,462 | 4,408 | 8,804 | 8,799 |
| UNEMPLOYMENT COMPENSATION | 9,450 | - | - | - | - |
| TOTAL SALARY AND BENEFITS: | 2,026,963 | 1,675,281 | 8,018,120 | 1,365,930 | 976,585 |
| NON-SALARY: | | | | | |
| PURCHASED SERVICES | 278,271 | 140,900 | 151,337 | 209,282 | 157,182 |
| OTHER CHARGES | 38,315 | 128,872 | 232,830 | 181,123 | 199,513 |
| MATERIALS AND SUPPLIES | 6,701 | 7,088 | 8,383 | 12,395 | 12,395 |
| EQUIPMENT | 23,049 | 1,840 | 404 | 4,321 | 4,321 |
| TOTAL NON-SALARY: | 346,336 | 278,700 | 392,954 | 407,121 | 373,411 |
| TOTAL EXPENDITURES | 2,373,299 | 1,953,981 | 8,411,074 | 1,773,051 | 1,349,996 |

ADMINISTRATION, ATTENDANCE AND HEALTH PURCHASING SERVICES

Expenditures for Purchasing Services are related to procuring supplies, services, and equipment for the division.

| EXPENDITURE CATEGORIES | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| SALARY AND BENEFITS: | | | | | |
| SALARIES: | | | | | |
| CLERICAL | 139,080 | 141,463 | 154,623 | 148,319 | 144,882 |
| DIR / SUPV / MNGR / COORD | 62,790 | 64,034 | 64,420 | 68,830 | 76,355 |
| BENEFITS: | | | | | |
| FICA | 14,895 | 14,933 | 15,887 | 14,770 | 16,122 |
| HEALTH INSURANCE | 26,897 | 34,558 | 41,776 | 53,844 | 40,062 |
| LIFE INSURANCE | 1,193 | 567 | 561 | 2,588 | 2,584 |
| VRS | 23,381 | 18,090 | 22,695 | 25,323 | 25,293 |
| VRS HEALTH INSURANCE CREDIT | 1,570 | 1,215 | 1,201 | 2,413 | 2,409 |
| TOTAL SALARY AND BENEFITS: | 269,806 | 274,860 | 301,163 | 316,087 | 307,707 |
| NON-SALARY: | | | | | |
| PURCHASED SERVICES | 2,586 | 2,061 | - | 2,198 | 2,044 |
| OTHER CHARGES | 21,823 | - | - | - | - |
| EQUIPMENT | 5,560 | 67 | 155 | 5,950 | - |
| TOTAL NON-SALARY: | 29,969 | 2,128 | 155 | 8,148 | 2,044 |
| TOTAL EXPENDITURES | 299,775 | 276,988 | 301,318 | 324,235 | 309,751 |

ADMINISTRATION, ATTENDANCE AND HEALTH HEALTH SERVICES

Expenditures under Health Services are those for activities associated with providing students with appropriate medical, dental, and nursing services.

| EXPENDITURE CATEGORIES | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| SALARY AND BENEFITS: | | | | | |
| SALARIES: | | | | | |
| CLERICAL | 30,366 | 23,110 | 24,943 | 25,272 | 25,777 |
| DIR / SUPV / MNGR / COORD | 104,717 | 72,365 | 72,515 | 77,581 | 79,123 |
| NURSE | 871,782 | 891,312 | 881,581 | 899,782 | 473,541 |
| OTHER PROFESSIONAL | 19,815 | 20,359 | 631 | - | - |
| SUB NURSE | 2,890 | 2,380 | 5,367 | - | - |
| BENEFITS: | | | | | |
| FICA | 74,490 | 74,512 | 73,330 | 65,133 | 70,086 |
| HEALTH INSURANCE | 137,792 | 156,394 | 138,610 | 172,012 | 180,162 |
| LIFE INSURANCE | 5,125 | 2,673 | 2,577 | 11,424 | 11,775 |
| VRS | 102,615 | 84,858 | 104,269 | 111,773 | 115,204 |
| VRS HEALTH INSURANCE CREDIT | 6,704 | 5,702 | 5,523 | 10,654 | 10,980 |
| TOTAL SALARY AND BENEFITS: | 1,356,296 | 1,333,665 | 1,309,346 | 1,373,631 | 966,648 |
| NON-SALARY: | | | | | |
| PURCHASED SERVICES | 106,298 | 131,175 | 131,166 | 131,185 | 127,652 |
| OTHER CHARGES | 1,785 | 3,320 | 1,619 | 3,150 | 3,150 |
| MATERIALS AND SUPPLIES | 13,149 | 28,870 | 20,873 | 16,546 | 16,878 |
| EQUIPMENT | 872 | 417 | 407 | 490 | 490 |
| TOTAL NON-SALARY: | 122,104 | 163,782 | 154,065 | 151,371 | 148,170 |
| TOTAL EXPENDITURES | 1,478,400 | 1,497,447 | 1,463,411 | 1,525,002 | 1,114,818 |

ADMINISTRATION, ATTENDANCE AND HEALTH PSYCHOLOGICAL SERVICES

Expenditures under Psychological Services are those for activities associated with administering psychological tests and interpreting the results, and expenditures associated with providing occupational and physical therapy services for students.

| EXPENDITURE CATEGORIES | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| SALARY AND BENEFITS: | | | | | |
| SALARIES: | | | | | |
| PSYCHOLOGIST - DISTRICT | 505,993 | 489,649 | 327,811 | 316,988 | 691,189 |
| TEACHER | 348,489 | 329,228 | 224,500 | 254,304 | 245,116 |
| BENEFITS: | | | | | |
| FICA | 62,723 | 59,687 | 39,220 | 35,632 | 64,987 |
| HEALTH INSURANCE | 63,249 | 81,918 | 50,789 | 116,426 | 118,164 |
| LIFE INSURANCE | 4,697 | 2,268 | 1,530 | 6,804 | 11,218 |
| VRS | 93,147 | 73,128 | 62,156 | 66,618 | 109,850 |
| VRS HEALTH INSURANCE CREDIT | 6,183 | 4,860 | 3,278 | 6,347 | 10,464 |
| TOTAL SALARY AND BENEFITS: | 1,084,481 | 1,040,738 | 709,284 | 803,119 | 1,250,988 |
| NON-SALARY: | | | | | |
| PURCHASED SERVICES | 250,000 | 212,500 | 212,440 | 212,500 | 212,500 |
| OTHER CHARGES | 26,574 | 21,644 | 22,480 | 22,654 | 22,654 |
| TOTAL NON-SALARY: | 276,574 | 234,144 | 234,920 | 235,154 | 235,154 |
| TOTAL EXPENDITURES | 1,361,055 | 1,274,882 | 944,204 | 1,038,273 | 1,486,142 |

GENERAL FUND TRANSPORTATION OVERVIEW

Pupil Transportation includes activities concerned with transporting students to and from school. This includes trips between home and school, and trips to and from school activities.

| EXPENDITURE CATEGORIES | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| SALARY AND BENEFITS: | | | | | |
| SALARIES: | | | | | |
| BUS DRIVER | 2,308,503 | 2,325,948 | 2,294,257 | 2,666,533 | 2,522,305 |
| BUS MONITOR | 506,599 | 523,261 | 551,523 | 424,123 | 446,210 |
| CLERICAL | 126,754 | 128,409 | 128,761 | 127,374 | 141,514 |
| DIR / SUPV / MNGR / COORD | 70,736 | 72,019 | 75,901 | 58,888 | 60,065 |
| OTHER PROFESSIONAL | 38,885 | 39,154 | 39,890 | 38,060 | 38,821 |
| BENEFITS: | | | | | |
| FICA | 221,308 | 227,174 | 227,353 | 220,721 | 223,434 |
| HEALTH INSURANCE | 837,705 | 1,048,728 | 1,013,445 | 1,348,822 | 1,240,872 |
| LIFE INSURANCE | 11,744 | 5,485 | 5,446 | 26,683 | 26,066 |
| UNEMPLOYMENT COMPENSATION | - | 8,829 | 8,576 | - | - |
| VRS | 278,833 | 263,096 | 266,739 | 292,260 | 205,089 |
| VRS HEALTH INSURANCE CREDIT | 1,750 | 1,332 | 1,263 | 2,493 | 2,493 |
| TOTAL SALARY AND BENEFITS: | 4,402,817 | 4,643,435 | 4,613,154 | 5,205,957 | 4,906,869 |
| NON-SALARY: | | | | | |
| PURCHASED SERVICES | 740,854 | 898,061 | 568,608 | 740,936 | 652,823 |
| OTHER CHARGES | 426,385 | 439,529 | 329,991 | 161,741 | 177,892 |
| MATERIALS AND SUPPLIES | 301,000 | 320,664 | 925,052 | 941,500 | 763,216 |
| EQUIPMENT | 708,879 | 7,873 | 147,150 | 2,000 | 1,600 |
| TOTAL NON-SALARY: | 2,177,118 | 1,666,127 | 1,970,801 | 1,846,177 | 1,595,531 |
| TOTAL EXPENDITURES | 6,579,935 | 6,309,562 | 6,583,955 | 7,052,134 | 6,502,400 |

TRANSPORTATION TRANSP - MGMT AND DIRECTION

Expenditures under Management and Direction are those associated with activities that pertain to directing and managing student transportation services.

| EXPENDITURE CATEGORIES | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| SALARY AND BENEFITS: | | | | | |
| SALARIES: | | | | | |
| CLERICAL | 126,754 | 128,409 | 128,761 | 127,374 | 141,514 |
| DIR / SUPV / MNGR / COORD | 70,736 | 72,019 | 75,901 | 58,888 | 60,065 |
| OTHER PROFESSIONAL | 38,885 | 39,154 | 39,890 | 38,060 | 38,821 |
| BENEFITS: | | | | | |
| FICA | 17,856 | 18,145 | 18,361 | 15,732 | 17,091 |
| HEALTH INSURANCE | 39,849 | 44,011 | 49,316 | 66,780 | 62,106 |
| LIFE INSURANCE | 1,329 | 621 | 590 | 2,673 | 2,673 |
| VRS | 26,053 | 19,821 | 23,851 | 26,158 | 26,158 |
| VRS HEALTH INSURANCE CREDIT | 1,750 | 1,332 | 1,263 | 2,493 | 2,493 |
| TOTAL SALARY AND BENEFITS: | 323,212 | 323,512 | 337,933 | 338,158 | 350,921 |
| NON-SALARY: | | | | | |
| PURCHASED SERVICES | 32,835 | 1,814 | 3,500 | 23,000 | 21,354 |
| OTHER CHARGES | 150 | 218 | 223 | 223 | 223 |
| MATERIALS AND SUPPLIES | 1,000 | - | - | - | - |
| EQUIPMENT | 8,479 | 7,873 | 147,150 | 2,000 | 1,600 |
| TOTAL NON-SALARY: | 42,464 | 9,905 | 150,873 | 25,223 | 23,177 |
| TOTAL EXPENDITURES | 365,676 | 333,417 | 488,806 | 363,381 | 374,098 |

TRANSPORTATION TRANSP - VEHICLE OPERATION

Expenditures under Vehicle Operation are those associated with activities involved in operating vehicles for student transportation.

| EXPENDITURE CATEGORIES | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| SALARY AND BENEFITS: | | | | | |
| SALARIES: | | | | | |
| BUS DRIVER | 2,308,503 | 2,325,948 | 2,294,257 | 2,666,533 | 2,522,305 |
| BUS MONITOR | 506,599 | 523,261 | 551,523 | 424,123 | 446,210 |
| BENEFITS: | | | | | |
| FICA | 203,452 | 209,029 | 208,992 | 204,989 | 206,343 |
| HEALTH INSURANCE | 797,856 | 1,004,717 | 964,129 | 1,282,042 | 1,178,766 |
| LIFE INSURANCE | 10,415 | 4,864 | 4,856 | 24,010 | 23,393 |
| UNEMPLOYMENT COMPENSATION | - | 8,829 | 8,576 | - | - |
| VRS | 252,780 | 243,275 | 242,888 | 266,102 | 178,931 |
| TOTAL SALARY AND BENEFITS: | 4,079,605 | 4,319,923 | 4,275,221 | 4,867,799 | 4,555,948 |
| NON-SALARY: | | | | | |
| PURCHASED SERVICES | 2,972 | - | 575 | 4,000 | 4,000 |
| OTHER CHARGES | 159,031 | 172,107 | 153,827 | 161,518 | 177,669 |
| MATERIALS AND SUPPLIES | 300,000 | 320,664 | 925,052 | 941,500 | 763,216 |
| TOTAL NON-SALARY: | 462,003 | 492,771 | 1,079,454 | 1,107,018 | 944,885 |
| TOTAL EXPENDITURES | 4,541,608 | 4,812,694 | 5,354,675 | 5,974,817 | 5,500,833 |

TRANSPORTATION
TRANSP - VEHICLE MAINTENANCE

Expenditures under Vehicle Maintenance Services are those associated with activities involved in maintaining student transportation vehicles.

| EXPENDITURE CATEGORIES | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|-------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| NON-SALARY: | | | | | |
| PURCHASED SERVICES | 705,047 | 896,247 | 564,533 | 713,936 | 627,469 |
| TOTAL NON-SALARY: | <u>705,047</u> | <u>896,247</u> | <u>564,533</u> | <u>713,936</u> | <u>627,469</u> |
| TOTAL EXPENDITURES | <u><u>705,047</u></u> | <u><u>896,247</u></u> | <u><u>564,533</u></u> | <u><u>713,936</u></u> | <u><u>627,469</u></u> |

TRANSPORTATION
TRANSP - BUS PURCHASE REGULAR

Expenditures under Bus Regular Purchases are those for the purchase of replacement or additional school buses.

| EXPENDITURE CATEGORIES | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|-------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| NON-SALARY: | | | | | |
| EQUIPMENT | 700,400 | - | - | - | - |
| TOTAL NON-SALARY: | <u>700,400</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| TOTAL EXPENDITURES | <u><u>700,400</u></u> | <u><u>-</u></u> | <u><u>-</u></u> | <u><u>-</u></u> | <u><u>-</u></u> |

TRANSPORTATION
TRANSP - BUS PURCHASE LEASE

Expenditures under Bus Purchase Lease are for the lease of replacement or additional school buses.

| EXPENDITURE CATEGORIES | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|-------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| NON-SALARY: | | | | | |
| OTHER CHARGES | 267,204 | 267,204 | 175,941 | - | - |
| TOTAL NON-SALARY: | <u>267,204</u> | <u>267,204</u> | <u>175,941</u> | <u>-</u> | <u>-</u> |
| TOTAL EXPENDITURES | <u><u>267,204</u></u> | <u><u>267,204</u></u> | <u><u>175,941</u></u> | <u><u>-</u></u> | <u><u>-</u></u> |

GENERAL FUND OPERATIONS OVERVIEW

Operations and Maintenance includes activities concerned with keeping the physical plant in good operating condition. This would include building safety, equipment services, vehicle services, warehouse operations, and security services.

| EXPENDITURE CATEGORIES | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| SALARY AND BENEFITS: | | | | | |
| SALARIES: | | | | | |
| CLERICAL | 102,283 | 89,162 | 88,327 | 106,119 | 89,012 |
| CROSSING GUARD | 332,064 | 320,070 | 317,894 | 267,379 | 266,872 |
| DIR / SUPV / MNGR / COORD | 362,317 | 269,867 | 260,597 | 426,510 | 313,204 |
| OTHER PROFESSIONAL | 45,746 | - | - | - | 3,531,161 |
| SECURITY GUARD | 466,504 | 446,133 | 455,762 | 449,354 | 442,754 |
| SUB CROSSING GUARD | 3,374 | - | - | - | - |
| SUPPORT SERVICE - MISC | 162,577 | 159,717 | 157,432 | 160,825 | 168,302 |
| TRADES | 1,188,616 | 909,220 | 936,746 | 1,027,663 | 1,018,321 |
| BENEFITS: | | | | | - |
| FICA | 188,436 | 163,705 | 165,588 | 173,842 | 160,571 |
| HEALTH INSURANCE | 303,672 | 337,881 | 332,117 | 422,688 | 414,487 |
| LIFE INSURANCE | 12,389 | 4,947 | 4,882 | 24,984 | 22,067 |
| UNEMPLOYMENT COMPENSATION | 876 | 19,854 | 9,822 | - | - |
| VRS | 273,449 | 218,940 | 225,575 | 262,049 | 188,613 |
| VRS HEALTH INSURANCE CREDIT | 4,272 | 3,386 | 4,272 | 10,593 | 8,547 |
| TOTAL SALARY AND BENEFITS: | 3,446,575 | 2,942,882 | 2,959,014 | 3,332,006 | 6,623,911 |
| NON-SALARY: | | | | | |
| PURCHASED SERVICES | 2,283,007 | 1,646,956 | 1,579,125 | 1,248,696 | 1,360,513 |
| OTHER CHARGES | 3,663,855 | 4,754,741 | 4,219,925 | 5,489,352 | 4,543,712 |
| MATERIALS AND SUPPLIES | 342,575 | 270,685 | 262,322 | 306,225 | 291,334 |
| EQUIPMENT | 700,934 | 370,678 | 228,115 | 200,850 | 185,330 |
| TOTAL NON-SALARY: | 6,990,371 | 7,043,060 | 6,289,487 | 7,245,123 | 6,380,889 |
| TOTAL EXPENDITURES | 10,436,946 | 9,985,942 | 9,248,501 | 10,577,129 | 13,004,800 |

OPERATIONS

OPERATIONS - MGMT & DIRECTION

Expenditures under Management and Direction are those associated with activities involved in directing, managing, and supervising the operation and maintenance of school plant facilities.

| EXPENDITURE CATEGORIES | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| SALARY AND BENEFITS: | | | | | |
| SALARIES: | | | | | |
| CLERICAL | 72,618 | 59,294 | 57,061 | 74,452 | 56,712 |
| DIR / SUPV / MNGR / COORD | 265,995 | 170,558 | 177,862 | 323,486 | 253,933 |
| OTHER PROFESSIONAL | 45,746 | - | - | - | 3,531,161 |
| BENEFITS: | | | | | |
| FICA | 29,186 | 17,523 | 17,750 | 28,561 | 21,096 |
| HEALTH INSURANCE | 16,223 | - | 8,703 | 10,845 | 9,996 |
| LIFE INSURANCE | 2,286 | 638 | 640 | 4,600 | 3,347 |
| UNEMPLOYMENT COMPENSATION | - | 8,420 | - | - | - |
| VRS | 45,738 | 20,339 | 26,256 | 45,050 | 32,773 |
| VRS HEALTH INSURANCE CREDIT | 3,010 | 1,367 | 1,373 | 4,292 | 3,122 |
| TOTAL SALARY AND BENEFITS: | 480,802 | 278,139 | 289,645 | 491,286 | 3,912,140 |
| NON-SALARY: | | | | | |
| PURCHASED SERVICES | - | 10,964 | 10,964 | 10,964 | 10,964 |
| OTHER CHARGES | 12,554 | 5,120 | 9,357 | 5,960 | 5,960 |
| MATERIALS AND SUPPLIES | 4,800 | 4,000 | 2,640 | 4,000 | 3,303 |
| EQUIPMENT | 3,000 | - | - | - | - |
| TOTAL NON-SALARY: | 20,354 | 20,084 | 22,961 | 20,924 | 20,227 |
| TOTAL EXPENDITURES | 501,156 | 298,223 | 312,606 | 512,210 | 3,932,367 |

OPERATIONS

OPERATIONS - BLDG MAINTENANCE

Expenditures under Building Maintenance are those associated with repairs and maintenance to the buildings other than routine cleaning and minor repairs.

| EXPENDITURE CATEGORIES | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| SALARY AND BENEFITS: | | | | | |
| SALARIES: | | | | | |
| DIR / SUPV / MNGR / COORD | 58,394 | 99,309 | 82,735 | 103,024 | 59,271 |
| TRADES | 1,188,616 | 909,220 | 936,746 | 1,027,663 | 1,018,321 |
| BENEFITS: | | | | | |
| FICA | 82,946 | 75,961 | 76,890 | 81,120 | 75,945 |
| HEALTH INSURANCE | 143,171 | 161,814 | 153,558 | 189,846 | 181,015 |
| LIFE INSURANCE | 6,424 | 2,741 | 2,699 | 12,935 | 11,628 |
| UNEMPLOYMENT COMPENSATION | - | 9,828 | 7,938 | - | - |
| VRS | 140,690 | 132,122 | 132,844 | 141,507 | 90,629 |
| VRS HEALTH INSURANCE CREDIT | 898 | 589 | 490 | 1,144 | 645 |
| TOTAL SALARY AND BENEFITS: | 1,621,139 | 1,391,584 | 1,393,900 | 1,557,239 | 1,437,454 |
| NON-SALARY: | | | | | |
| PURCHASED SERVICES | 2,176,815 | 1,534,808 | 1,436,253 | 1,104,549 | 1,216,366 |
| OTHER CHARGES | 3,635,892 | 4,734,192 | 4,203,159 | 5,473,180 | 4,527,540 |
| MATERIALS AND SUPPLIES | 266,064 | 186,806 | 194,067 | 198,920 | 186,404 |
| EQUIPMENT | 697,169 | 362,013 | 228,115 | 200,000 | 184,480 |
| TOTAL NON-SALARY: | 6,775,940 | 6,817,819 | 6,061,594 | 6,976,649 | 6,114,790 |
| TOTAL EXPENDITURES | 8,397,079 | 8,209,403 | 7,455,494 | 8,533,888 | 7,552,244 |

OPERATIONS
OPERATIONS - EQUIP SERVICES

Expenditures under Equipment Services are those associated with activities involved in maintaining equipment owned or used by the school division.

| EXPENDITURE CATEGORIES | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|-------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| NON-SALARY: | | | | | |
| OTHER CHARGES | 10,964 | - | - | - | - |
| TOTAL NON-SALARY: | <u>10,964</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| TOTAL EXPENDITURES | <u><u>10,964</u></u> | <u><u>-</u></u> | <u><u>-</u></u> | <u><u>-</u></u> | <u><u>-</u></u> |

OPERATIONS
OPERATIONS - VEH SERVICES

Expenditures under Vehicle Services are those associated with activities involved in maintaining vehicles other than school buses.

| EXPENDITURE CATEGORIES | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|-------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| NON-SALARY: | | | | | |
| PURCHASED SERVICES | 106,192 | 101,165 | 131,908 | 131,908 | 131,908 |
| MATERIALS AND SUPPLIES | 55,767 | 65,000 | 50,052 | 84,467 | 84,467 |
| TOTAL NON-SALARY: | <u>161,959</u> | <u>166,165</u> | <u>181,960</u> | <u>216,375</u> | <u>216,375</u> |
| TOTAL EXPENDITURES | <u><u>161,959</u></u> | <u><u>166,165</u></u> | <u><u>181,960</u></u> | <u><u>216,375</u></u> | <u><u>216,375</u></u> |

OPERATIONS

OPERATIONS - SECURITY SERVICES

Expenditures under Security Services are those associated with activities concerned with maintaining order and safety in school buildings and on school grounds.

| EXPENDITURE CATEGORIES | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| SALARY AND BENEFITS: | | | | | |
| SALARIES: | | | | | |
| SECURITY GUARD | 466,504 | 446,133 | 455,762 | 449,354 | 442,754 |
| BENEFITS: | | | | | |
| FICA | 34,447 | 32,243 | 32,971 | 30,378 | 29,079 |
| HEALTH INSURANCE | 91,849 | 119,566 | 120,482 | 165,011 | 155,400 |
| LIFE INSURANCE | 2,309 | 1,064 | 1,042 | 5,155 | 4,749 |
| UNEMPLOYMENT COMPENSATION | 876 | 1,114 | - | - | - |
| VRS | 57,328 | 42,735 | 42,203 | 50,422 | 46,450 |
| VRS HEALTH INSURANCE CREDIT | 136 | 1,254 | 2,232 | 4,805 | 4,428 |
| TOTAL SALARY AND BENEFITS: | 653,449 | 644,109 | 654,692 | 705,125 | 682,860 |
| NON-SALARY: | | | | | |
| PURCHASED SERVICES | - | 19 | - | 1,275 | 1,275 |
| OTHER CHARGES | 4,338 | 3,601 | 4,045 | 2,812 | 2,812 |
| MATERIALS AND SUPPLIES | 3,811 | 4,209 | 2,927 | 4,250 | 3,607 |
| EQUIPMENT | - | 8,665 | - | 850 | 850 |
| TOTAL NON-SALARY: | 8,149 | 16,494 | 6,972 | 9,187 | 8,544 |
| TOTAL EXPENDITURES | 661,598 | 660,603 | 661,664 | 714,312 | 691,404 |

OPERATIONS

OPERATIONS - CROSSING GUARDS

Expenditures are for the Crossing Guards stationed at our schools to assist walking students to arrive safely at their school.

| EXPENDITURE CATEGORIES | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| SALARY AND BENEFITS: | | | | | |
| SALARIES: | | | | | |
| CROSSING GUARD | 332,064 | 320,070 | 317,894 | 267,379 | 266,872 |
| SUB CROSSING GUARD | 3,374 | - | - | - | - |
| BENEFITS: | | | | | |
| FICA | 25,187 | 24,485 | 24,319 | 20,484 | 19,961 |
| LIFE INSURANCE | - | - | - | - | - |
| UNEMPLOYMENT COMPENSATION | - | 492 | 1,884 | - | - |
| VRS | - | - | - | - | - |
| VRS HEALTH INSURANCE CREDIT | - | - | - | - | - |
| TOTAL SALARY AND BENEFITS: | <u>360,625</u> | <u>345,047</u> | <u>344,097</u> | <u>287,863</u> | <u>286,833</u> |
| NON-SALARY: | | | | | |
| MATERIALS AND SUPPLIES | - | 771 | 2,138 | 4,059 | 3,775 |
| TOTAL NON-SALARY: | <u>-</u> | <u>771</u> | <u>2,138</u> | <u>4,059</u> | <u>3,775</u> |
| TOTAL EXPENDITURES | <u><u>360,625</u></u> | <u><u>345,818</u></u> | <u><u>346,235</u></u> | <u><u>291,922</u></u> | <u><u>290,608</u></u> |

OPERATIONS

OPERATIONS - WAREHOUSE

Expenditures under Warehouse Services are those associated with activities such as receiving, storing, and distributing supplies, furniture, and equipment.

| EXPENDITURE CATEGORIES | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| SALARY AND BENEFITS: | | | | | |
| SALARIES: | | | | | |
| CLERICAL | 29,665 | 29,868 | 31,266 | 31,667 | 32,300 |
| DIR / SUPV / MNGR / COORD | 37,928 | - | - | - | - |
| SUPPORT SERVICE - MISC | 162,577 | 159,717 | 157,432 | 160,825 | 168,302 |
| BENEFITS: | | | | | |
| FICA | 16,670 | 13,493 | 13,658 | 13,299 | 14,490 |
| HEALTH INSURANCE | 52,429 | 56,501 | 49,374 | 56,986 | 68,076 |
| LIFE INSURANCE | 1,370 | 504 | 501 | 2,294 | 2,343 |
| VRS | 29,693 | 23,744 | 24,272 | 25,070 | 18,761 |
| VRS HEALTH INSURANCE CREDIT | 228 | 176 | 177 | 352 | 352 |
| TOTAL SALARY AND BENEFITS: | 330,560 | 284,003 | 276,680 | 290,493 | 304,624 |
| NON-SALARY: | | | | | |
| OTHER CHARGES | 107 | 11,828 | 3,364 | 7,400 | 7,400 |
| MATERIALS AND SUPPLIES | 12,133 | 9,899 | 10,498 | 10,529 | 9,778 |
| EQUIPMENT | 765 | - | - | - | - |
| TOTAL NON-SALARY: | 13,005 | 21,727 | 13,862 | 17,929 | 17,178 |
| TOTAL EXPENDITURES | 343,565 | 305,730 | 290,542 | 308,422 | 321,802 |

GENERAL FUND FACILITIES OVERVIEW

Facilities includes activities concerned with acquiring land and buildings, remodeling buildings, constructing buildings and additions to buildings, installing or extending service systems and other built-in equipment, and improving sites. The majority of these requirements are included in the Portsmouth City Capital Improvement Program (CIP).

| EXPENDITURE CATEGORIES | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| SALARY AND BENEFITS: | | | | | |
| SALARIES: | | | | | |
| CLERICAL | 35,607 | 33,818 | 35,154 | 35,951 | 36,670 |
| CUSTODIAN | 3,183,195 | 2,786,841 | 2,588,973 | 2,605,990 | 1,781,786 |
| DIR / SUPV / MNGR / COORD | 182,822 | 214,291 | 235,340 | 251,361 | 173,863 |
| OTHER PROFESSIONAL | - | 44,757 | 44,907 | 47,798 | 48,754 |
| SUB CUSTODIAN | 26,609 | - | - | - | - |
| BENEFITS: | | | | | |
| FICA | 255,529 | 229,052 | 216,257 | 210,270 | 206,260 |
| HEALTH INSURANCE | 701,076 | 820,201 | 760,293 | 935,223 | 687,398 |
| LIFE INSURANCE | 19,663 | 8,174 | 7,428 | 35,050 | 32,856 |
| VRS | 434,843 | 393,601 | 363,806 | 383,405 | 258,199 |
| VRS HEALTH INSURANCE CREDIT | 368 | 1,552 | 1,862 | 3,723 | 2,824 |
| UNEMPLOYMENT COMPENSATION | 16,176 | 26,434 | 7,614 | - | - |
| TOTAL SALARY AND BENEFITS: | 4,855,888 | 4,558,721 | 4,261,634 | 4,508,771 | 3,228,610 |
| NON-SALARY: | | | | | |
| PURCHASED SERVICES | 56,158 | 187,143 | 178,979 | 290,451 | 282,451 |
| OTHER CHARGES | 95,681 | 98,379 | 112,754 | 110,462 | 110,423 |
| MATERIALS AND SUPPLIES | 328,488 | 374,410 | 274,791 | 278,117 | 266,456 |
| EQUIPMENT | 30,935 | 51,519 | 4,538 | 13,500 | 13,500 |
| TOTAL NON-SALARY: | 511,262 | 711,451 | 571,062 | 692,530 | 672,830 |
| TOTAL EXPENDITURES | 5,367,150 | 5,270,172 | 4,832,696 | 5,201,301 | 3,901,440 |

FACILITIES
FACILITIES-BLDG ACQUISITION

| EXPENDITURE CATEGORIES | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| SALARY AND BENEFITS: | | | | | |
| SALARIES: | | | | | |
| DIR / SUPV / MNGR / COORD | - | 75,414 | 75,564 | 80,907 | - |
| OTHER PROFESSIONAL | - | 44,757 | 44,907 | 47,798 | 48,754 |
| BENEFITS: | | | | | |
| FICA | - | 8,995 | 9,089 | 9,129 | 3,438 |
| HEALTH INSURANCE | - | 17,779 | 17,171 | 22,032 | 9,996 |
| LIFE INSURANCE | - | 334 | 334 | 1,532 | 569 |
| VRS | - | 10,642 | 13,502 | 15,008 | 5,574 |
| VRS HEALTH INSURANCE CREDIT | - | 715 | 715 | 1,430 | 531 |
| TOTAL SALARY AND BENEFITS: | - | 158,636 | 161,282 | 177,836 | 68,862 |
| NON-SALARY: | | | | | |
| OTHER CHARGES | - | 550 | 548 | 550 | 511 |
| TOTAL NON-SALARY: | - | 550 | 548 | 550 | 511 |
| TOTAL EXPENDITURES | - | 159,186 | 161,830 | 178,386 | 69,373 |

FACILITIES
FACILITIES - BLDG ADDT AND IMP

| EXPENDITURE CATEGORIES | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|-------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| NON-SALARY: | | | | | |
| PURCHASED SERVICES | (5,554) | 14,936 | 107,453 | 208,844 | 208,844 |
| TOTAL NON-SALARY: | (5,554) | 14,936 | 107,453 | 208,844 | 208,844 |
| TOTAL EXPENDITURES | (5,554) | 14,936 | 107,453 | 208,844 | 208,844 |

FACILITIES

FACILITIES- BLDG SERVICES

| EXPENDITURE CATEGORIES | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| SALARY AND BENEFITS: | | | | | |
| SALARIES: | | | | | |
| CLERICAL | 35,607 | 33,818 | 35,154 | 35,951 | 36,670 |
| CUSTODIAN | 3,183,195 | 2,786,841 | 2,588,973 | 2,605,990 | 1,781,786 |
| DIR / SUPV / MNGR / COORD | 182,822 | 138,877 | 159,776 | 170,454 | 173,863 |
| SUB CUSTODIAN | 26,609 | - | - | - | - |
| BENEFITS: | | | | | |
| FICA | 255,529 | 220,057 | 207,168 | 201,141 | 202,822 |
| HEALTH INSURANCE | 701,076 | 802,422 | 743,122 | 913,191 | 677,402 |
| LIFE INSURANCE | 19,663 | 7,840 | 7,094 | 33,518 | 32,287 |
| UNEMPLOYMENT COMPENSATION | 16,176 | 26,434 | 7,614 | - | - |
| VRS | 434,843 | 382,959 | 350,304 | 368,397 | 252,625 |
| VRS HEALTH INSURANCE CREDIT | 368 | 837 | 1,147 | 2,293 | 2,293 |
| TOTAL SALARY AND BENEFITS: | 4,855,888 | 4,400,085 | 4,100,352 | 4,330,935 | 3,159,748 |
| NON-SALARY: | | | | | |
| PURCHASED SERVICES | 61,712 | 172,207 | 71,526 | 81,607 | 73,607 |
| OTHER CHARGES | 95,681 | 97,829 | 112,206 | 109,912 | 109,912 |
| MATERIALS AND SUPPLIES | 328,488 | 374,410 | 274,791 | 278,117 | 266,456 |
| EQUIPMENT | 30,935 | 51,519 | 4,538 | 13,500 | 13,500 |
| TOTAL NON-SALARY: | 516,816 | 695,965 | 463,061 | 483,136 | 463,475 |
| TOTAL EXPENDITURES | 5,372,704 | 5,096,050 | 4,563,413 | 4,814,071 | 3,623,223 |

GENERAL FUND TECHNOLOGY OVERVIEW

Technology activities are primarily concerned with the delivery of technology to the classroom in support of student instruction. The Technology function recommends policy and procedures and administers such for the School Division. Technology supports other functional categories through the acquisition and maintenance of hardware and software. They also assist in preparing data for storage, storing data, and retrieving it for management and reporting purposes.

| EXPENDITURE CATEGORIES | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| SALARY AND BENEFITS: | | | | | |
| SALARIES: | | | | | |
| CLERICAL | 122,258 | 118,301 | 135,189 | 137,620 | 140,371 |
| DIR / SUPV / MNGR / COORD | 233,994 | 236,997 | 237,447 | 254,338 | 259,425 |
| PARAPROFESSIONAL | 4,987 | - | - | - | - |
| TECHNICAL SUPPORT | 1,075,784 | 1,043,832 | 1,000,464 | 1,030,923 | 2,319,627 |
| BENEFITS: | | | | | |
| FICA | 104,377 | 103,008 | 101,167 | 98,596 | 101,298 |
| HEALTH INSURANCE | 174,017 | 219,346 | 215,124 | 282,187 | 254,346 |
| LIFE INSURANCE | 8,291 | 3,880 | 3,720 | 16,945 | 16,550 |
| UNEMPLOYMENT COMPENSATION | 48 | - | - | - | - |
| VRS | 162,554 | 123,719 | 150,511 | 165,920 | 162,060 |
| VRS HEALTH INSURANCE CREDIT | 10,915 | 8,314 | 7,972 | 15,810 | 15,442 |
| TOTAL SALARY AND BENEFITS: | 1,897,225 | 1,857,397 | 1,851,594 | 2,002,339 | 3,269,119 |
| NON-SALARY: | | | | | |
| PURCHASED SERVICES | 1,469,815 | 801,544 | 649,055 | 571,600 | 629,100 |
| OTHER CHARGES | 245,696 | 24,839 | 35,063 | 299,300 | 334,300 |
| MATERIALS AND SUPPLIES | 365,135 | 784,161 | 1,000,405 | 813,650 | 844,401 |
| EQUIPMENT | 1,161,610 | 131,138 | 506,401 | 115,000 | 125,000 |
| TOTAL NON-SALARY: | 3,242,256 | 1,741,682 | 2,190,924 | 1,799,550 | 1,932,801 |
| TOTAL EXPENDITURES | 5,139,481 | 3,599,079 | 4,042,518 | 3,801,889 | 5,201,920 |

TECHNOLOGY
TECH - CLASSROOM INSTRUCTION

| EXPENDITURE CATEGORIES | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|-------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| NON-SALARY: | | | | | |
| PURCHASED SERVICES | 311,377 | 78,527 | 94,000 | 94,000 | 94,000 |
| OTHER CHARGES | 75,322 | 1,213 | 1,231 | 2,000 | 2,000 |
| MATERIALS AND SUPPLIES | 208,010 | 367,401 | 351,364 | 365,750 | 362,750 |
| EQUIPMENT | 1,121,610 | 131,138 | 506,401 | 115,000 | 125,000 |
| TOTAL NON-SALARY: | 1,716,319 | 578,279 | 952,996 | 576,750 | 583,750 |
| TOTAL EXPENDITURES | 1,716,319 | 578,279 | 952,996 | 576,750 | 583,750 |

TECHNOLOGY
TECH - INSTRUCTIONAL SUPPORT

| EXPENDITURE CATEGORIES | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| SALARY AND BENEFITS: | | | | | |
| SALARIES: | | | | | |
| CLERICAL | 122,258 | 118,301 | 135,189 | 137,620 | 140,371 |
| DIR / SUPV / MNGR / COORD | 143,722 | 145,226 | 145,526 | 155,765 | 158,880 |
| PARAPROFESSIONAL | 4,987 | - | - | - | - |
| TECHNICAL SUPPORT | 1,075,784 | 1,043,832 | 1,000,464 | 1,030,923 | 2,319,627 |
| BENEFITS: | | | | | |
| FICA | 98,032 | 96,647 | 94,652 | 92,004 | 94,314 |
| HEALTH INSURANCE | 166,436 | 208,956 | 204,585 | 268,200 | 241,524 |
| LIFE INSURANCE | 7,756 | 3,624 | 3,464 | 15,771 | 15,376 |
| UNEMPLOYMENT COMPENSATION | 48 | - | - | - | - |
| VRS | 152,059 | 115,568 | 140,172 | 154,426 | 150,566 |
| VRS HEALTH INSURANCE CREDIT | 10,211 | 7,766 | 7,424 | 14,715 | 14,347 |
| TOTAL SALARY AND BENEFITS: | 1,781,293 | 1,739,920 | 1,731,476 | 1,869,424 | 3,135,005 |
| NON-SALARY: | | | | | |
| PURCHASED SERVICES | 761,533 | 723,017 | 555,055 | 217,600 | 207,600 |
| OTHER CHARGES | 135,334 | - | - | 255,300 | 300,300 |
| MATERIALS AND SUPPLIES | - | 405,809 | 600,069 | 399,900 | 393,651 |
| TOTAL NON-SALARY: | 896,867 | 1,128,826 | 1,155,124 | 872,800 | 901,551 |
| TOTAL EXPENDITURES | 2,678,160 | 2,868,746 | 2,886,600 | 2,742,224 | 4,036,556 |

TECHNOLOGY
TECH - ADMINISTRATION

| EXPENDITURE CATEGORIES | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| SALARY AND BENEFITS: | | | | | |
| SALARIES: | | | | | |
| DIR / SUPV / MNGR / COORD | 90,272 | 91,771 | 91,921 | 98,573 | 100,545 |
| BENEFITS: | | | | | |
| FICA | 6,345 | 6,361 | 6,515 | 6,592 | 6,984 |
| HEALTH INSURANCE | 7,581 | 10,390 | 10,539 | 13,987 | 12,822 |
| LIFE INSURANCE | 535 | 256 | 256 | 1,174 | 1,174 |
| VRS | 10,495 | 8,151 | 10,339 | 11,494 | 11,494 |
| VRS HEALTH INSURANCE CREDIT | 704 | 548 | 548 | 1,095 | 1,095 |
| TOTAL SALARY AND BENEFITS: | 115,932 | 117,477 | 120,118 | 132,915 | 134,114 |
| NON-SALARY: | | | | | |
| PURCHASED SERVICES | 396,905 | - | - | 260,000 | 327,500 |
| OTHER CHARGES | 35,040 | 23,626 | 33,832 | 42,000 | 32,000 |
| MATERIALS AND SUPPLIES | 41,909 | - | 37,115 | - | 50,000 |
| EQUIPMENT | 10,000 | - | - | - | - |
| TOTAL NON-SALARY: | 483,854 | 23,626 | 70,947 | 302,000 | 409,500 |
| TOTAL EXPENDITURES | 599,786 | 141,103 | 191,065 | 434,915 | 543,614 |

TECHNOLOGY
TECH - OPERATIONS AND MAINT

| EXPENDITURE CATEGORIES | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|-------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| NON-SALARY: | | | | | |
| MATERIALS AND SUPPLIES | 115,216 | 10,951 | 11,857 | 48,000 | 38,000 |
| TOTAL NON-SALARY: | <u>115,216</u> | <u>10,951</u> | <u>11,857</u> | <u>48,000</u> | <u>38,000</u> |
| TOTAL EXPENDITURES | <u><u>115,216</u></u> | <u><u>10,951</u></u> | <u><u>11,857</u></u> | <u><u>48,000</u></u> | <u><u>38,000</u></u> |

TECHNOLOGY
TECH - FACILITIES

| EXPENDITURE CATEGORIES | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|-------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| NON-SALARY: | | | | | |
| EQUIPMENT | 30,000 | - | - | - | - |
| TOTAL NON-SALARY: | <u>30,000</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| TOTAL EXPENDITURES | <u><u>30,000</u></u> | <u><u>-</u></u> | <u><u>-</u></u> | <u><u>-</u></u> | <u><u>-</u></u> |

GENERAL FUND FUND TRANSFERS

DEBT SERVICE

The capital lease for energy savings is our only debt obligation.

| DEBT SERVICE | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|---------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| INTEREST - ENERGY | 278,856 | 256,335 | 437,433 | 205,435 | 176,927 |
| PRINCIPAL - ENERGY | 571,338 | 619,364 | 1,393,566 | 723,593 | 779,974 |
| TOTAL: | <u>850,194</u> | <u>875,699</u> | <u>1,830,999</u> | <u>929,028</u> | <u>956,901</u> |
| TOTAL DEBT SERVICE | <u>850,194</u> | <u>875,699</u> | <u>1,830,999</u> | <u>929,028</u> | <u>956,901</u> |

LOCAL MATCHES

Transfers from the operating fund to the grants fund satisfy local match requirements for grant programs. The other transfers include outlays of funds that are not properly classified as expenditures but require budgetary or accounting control.

| EXPENDITURE CATEGORIES | 2009 - 10 ACTUAL | 2010 - 11 ACTUAL | 2011 - 12 ACTUAL | 2012 - 13 BUDGET | 2013 - 14 BUDGET |
|-------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| LOCAL MATCH - ABE GRANT | 20,000 | 20,000 | 20,000 | - | - |
| LOCAL MATCH - EARLY READING | 75,166 | 92,560 | 105,458 | 160,846 | 125,580 |
| LOCAL MATCH - MSP INSTITUTE | - | - | - | 10,000 | 10,000 |
| LOCAL MATCH- ALGEBRA | 56,244 | 75,330 | 82,384 | 102,108 | 100,388 |
| LOCAL MATCH - VA PRESCHOOL | 732,441 | 931,881 | 1,072,386 | 1,203,207 | 1,023,207 |
| RISK MGMT - CURRENT CLAIMS | 2,655,702 | - | - | 955,702 | 955,702 |
| TO CITY | - | 80,837 | - | - | - |
| TO CONSTRUCTION FUND | 6,784,201 | 11,221,937 | 1,005,702 | - | - |
| TO TEXTBOOK FUND | - | 740,823 | - | 357,593 | 352,350 |
| TOTAL EXPENDITURES: | <u>10,323,754</u> | <u>13,163,368</u> | <u>2,285,930</u> | <u>2,789,456</u> | <u>2,567,227</u> |
| TOTAL FUND TRANSFERS: | <u>11,173,948</u> | <u>14,039,067</u> | <u>4,116,929</u> | <u>3,718,484</u> | <u>3,524,128</u> |

REPROGRAPHICS FUND

| REVENUES | 2009-10 BUDGET | 2010-11 BUDGET | 2011-12 BUDGET | 2012-13 BUDGET | 2013-14 BUDGET |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| PORTSMOUTH PUBLIC SCHOOLS | 571,175 | 450,667 | 535,045 | 527,428 | 576,840 |
| CITY OF PORTSMOUTH | 33,331 | 114,661 | 136,130 | 134,191 | 146,763 |
| OTHER (OUTSIDE SOURCES) | 143,478 | 25,710 | 30,524 | 30,089 | 32,908 |
| PRIOR YEAR FUND BALANCE | - | - | - | - | 225,000 |
| TOTAL REPROGRAPHICS REVENUES | 747,984 | 591,038 | 701,699 | 691,708 | 981,511 |
| EXPENDITURES | 2009-10 BUDGET | 2010-11 BUDGET | 2011-12 BUDGET | 2012-13 BUDGET | 2013-14 BUDGET |
| SALARIES AND WAGES | 344,310 | 280,500 | 294,670 | 274,827 | 309,826 |
| FRINGE BENEFITS | 112,684 | 106,618 | 108,751 | 104,461 | 117,765 |
| SUPPLIES | 177,000 | 111,000 | 203,500 | 178,500 | 195,000 |
| LEASE/RENTAL | 103,840 | - | - | - | - |
| OTHER | 10,150 | 92,920 | 94,778 | 133,920 | 133,920 |
| CAPITAL OUTLAY | - | - | - | - | 225,000 |
| TOTAL REPROGRAPHICS EXPENDITURES | 747,984 | 591,038 | 701,699 | 691,708 | 981,511 |

This enterprise fund accounts for the revenues and expenditures of the Portsmouth City Public Schools' Printing Center. The Fund supplies printing and graphic services to the City of Portsmouth, outside entities, and functional units in the School Board on a cost reimbursement basis.

SCHOOL CAFETERIA FUND

| REVENUES | 2009-10 BUDGET | 2010-11 BUDGET | 2011-12 BUDGET | 2012-13 BUDGET | 2013-14 BUDGET |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| FROM THE FEDERAL GOVERNMENT | 4,440,610 | 4,631,375 | 5,138,041 | 5,364,000 | 5,756,183 |
| FROM THE COMMONWEALTH | 118,000 | 100,000 | 100,000 | 125,000 | 125,000 |
| CHARGES FOR SERVICES | 1,681,000 | 1,396,726 | 1,286,001 | 1,280,000 | 1,220,000 |
| DONATED COMMODITIES | 400,000 | 280,000 | 293,278 | 400,000 | 400,000 |
| OTHER REVENUE | 510,000 | 476,000 | 339,483 | 435,000 | 719,321 |
| TOTAL SCHOOL CAFETERIA FUND REVENUES | 7,149,610 | 6,884,101 | 7,156,803 | 7,604,000 | 8,220,504 |
| EXPENDITURES | 2009-10 BUDGET | 2010-11 BUDGET | 2011-12 BUDGET | 2012-13 BUDGET | 2013-14 BUDGET |
| SALARIES AND WAGES | 2,150,548 | 2,240,000 | 1,843,450 | 2,094,796 | 2,442,791 |
| FRINGE BENEFITS | 1,313,000 | 1,000,000 | 1,455,881 | 1,584,204 | 1,262,723 |
| PURCHASE OF FOODS | 2,959,048 | 2,571,410 | 2,614,439 | 2,721,000 | 3,123,390 |
| DONATED COMMODITIES | 400,000 | 280,000 | 293,278 | 400,000 | 400,000 |
| OTHER | 327,014 | 792,691 | 949,755 | 804,000 | 991,600 |
| TOTAL SCHOOL CAFETERIA FUND EXPENDITURES | 7,149,610 | 6,884,101 | 7,156,803 | 7,604,000 | 8,220,504 |

The cafeteria fund is a special revenue fund that supports food services operations at the division's schools.

| <u>SCHOOL GRANTS FUND</u> | | | | | |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| REVENUES | 2009-10 BUDGET | 2010-11 BUDGET | 2011-12 BUDGET | 2012-13 BUDGET | 2013-14 BUDGET |
| FEDERAL | 17,384,031 | 17,095,453 | 17,609,112 | 13,815,210 | 11,464,468 |
| STATE | 3,406,480 | 4,188,569 | 4,024,191 | 4,060,276 | 4,234,328 |
| OTHER | 65,874 | 250,654 | 253,983 | 213,119 | 198,889 |
| LOCAL MATCH | 1,155,571 | 945,774 | 1,113,758 | 1,268,735 | 1,249,175 |
| TOTAL SCHOOL GRANTS FUND REVENUES | 22,011,956 | 22,480,450 | 23,001,044 | 19,357,340 | 17,146,860 |
| EXPENDITURES | 2009-10 BUDGET | 2010-11 BUDGET | 2011-12 BUDGET | 2012-13 BUDGET | 2013-14 BUDGET |
| INSTRUCTION | 18,528,430 | 19,180,172 | 19,371,567 | 15,771,069 | 14,254,930 |
| ADMIN/ATTENDANCE & HEALTH | 1,115,251 | 1,575,006 | 1,127,821 | 924,528 | 826,998 |
| OPERATIONS AND MAINTENANCE | 527,263 | 719,350 | 211,015 | 292,015 | 203,202 |
| TECHNOLOGY | 1,841,012 | 1,005,922 | 2,290,641 | 2,369,728 | 1,861,730 |
| TOTAL SCHOOL GRANTS FUND EXPENDITURES | 22,011,956 | 22,480,450 | 23,001,044 | 19,357,340 | 17,146,860 |

The Grants fund provides assistance for particular federal, state, and local programs. These grants encourage recipient divisions to expand expenditures to support certain instructional programs. Significant funding from the federal government is received in the form of grants associated with No Child Left Behind, Title I, Title VA-B, Special Education, and Education Technology. These grants allow the division to offer programs that might not be funded through the general fund. In addition to these large grants, the division aggressively seeks competitive grant funds to further its mission.

| <u>RISK MANAGEMENT & INSURANCE FUND</u> | | | | | |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| REVENUES | 2009-10 BUDGET | 2010-11 BUDGET | 2011-12 BUDGET | 2012-13 BUDGET | 2013-14 BUDGET |
| TRANSFERS IN | 1,655,702 | 955,702 | 955,702 | 955,702 | 955,702 |
| TOTAL RISK MGMT & INS FUND REVENUES | 1,655,702 | 955,702 | 955,702 | 955,702 | 955,702 |
| EXPENDITURES | 2009-10 BUDGET | 2010-11 BUDGET | 2011-12 BUDGET | 2012-13 BUDGET | 2013-14 BUDGET |
| WORKMEN'S COMP INS PREMIUM | 196,541 | 225,639 | 225,639 | 225,639 | 225,639 |
| WORKMEN'S COMP & CLAIMS | 1,459,161 | 730,063 | 730,063 | 730,063 | 730,063 |
| TOTAL RISK MGMT & INS FUND EXPENDITURES | 1,655,702 | 955,702 | 955,702 | 955,702 | 955,702 |

The Risk Management and Insurance fund is an internal service fund that accounts for all insurance premiums and workers' compensation claims for which the School Board is liable and for the payment of claims and legal fees, if necessary, on public liability claims arising from the operations of the School Board.

TEXTBOOK FUND

| <u>REVENUES</u> | <u>2009-10 BUDGET</u> | <u>2010-11 BUDGET</u> | <u>2011-12 BUDGET</u> | <u>2012-13 BUDGET</u> | <u>2013-14 BUDGET</u> |
|---|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| STATE | 1,308,840 | 559,649 | 426,050 | 940,387 | 926,598 |
| LOCAL MATCH | - | - | 141,790 | 357,593 | 352,350 |
| TOTAL TEXTBOOK FUND REVENUES | <u>1,308,840</u> | <u>559,649</u> | <u>567,840</u> | <u>1,297,980</u> | <u>1,278,948</u> |
| <u>EXPENDITURES</u> | <u>2009-10 BUDGET</u> | <u>2010-11 BUDGET</u> | <u>2011-12 BUDGET</u> | <u>2012-13 BUDGET</u> | <u>2013-14 BUDGET</u> |
| TEXTBOOKS | 1,308,840 | 559,649 | 567,840 | 1,297,980 | 1,278,948 |
| TOTAL TEXTBOOK FUND EXPENDITURES | <u>1,308,840</u> | <u>559,649</u> | <u>567,840</u> | <u>1,297,980</u> | <u>1,278,948</u> |

The Textbook fund records revenues and expenditures for textbooks. Historically, the State General Assembly authorizes the Textbook fund balance to be carried forward each fiscal year.

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Information Section

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**CITY OF PORTSMOUTH, VIRGINIA SCHOOL BOARD
BUDGET FORECAST**

Projections are for informational purposes and not for budget formation.

GENERAL FUND

| | 14/15 Forecast | 15/16 Forecast | 16/17 Forecast |
|--------------------------------------|--------------------|--------------------|--------------------|
| Revenues | | | |
| City Funds | 48,300,000 | 49,000,000 | 50,300,000 |
| Federal Funds | 700,000 | 700,000 | 700,000 |
| Other Funds | 1,625,000 | 1,625,000 | 1,625,000 |
| Sales Tax | 14,821,566 | 14,821,566 | 14,821,566 |
| State Funds | 69,973,567 | 70,047,095 | 70,071,604 |
| Total revenues | 135,420,133 | 136,193,661 | 137,518,170 |
| Expenditures | | | |
| Instruction | 96,464,357 | 97,015,367 | 97,958,860 |
| Administration Attendance and Health | 6,556,033 | 6,593,482 | 6,657,605 |
| Transportation | 6,556,033 | 6,593,482 | 6,657,605 |
| Operations Maintenance | 13,112,067 | 13,186,964 | 13,315,209 |
| Facilities | 3,933,620 | 3,956,089 | 3,994,563 |
| Technology | 5,244,827 | 5,274,785 | 5,326,084 |
| Fund Transfers | 3,553,196 | 3,573,492 | 3,608,245 |
| Total Expenditures | 135,420,133 | 136,193,661 | 137,518,170 |

REPROGRAPHICS FUND

| | 14/15 Forecast | 15/16 Forecast | 16/17 Forecast |
|---------------------------------|-------------------|-------------------|-------------------|
| Revenues | | | |
| Portsmouth Public Schools | 414,767 | 418,915 | 423,104 |
| City of Portsmouth | 144,462 | 145,906 | 147,365 |
| Other (Outside Sources) | 33,030 | 33,361 | 33,694 |
| Total operating revenues | 592,259 | 598,182 | 604,164 |
| Expenditures | | | |
| Personnel services | 375,825 | 379,583 | 379,583 |
| Contractual services | 81,600 | 82,416 | 82,416 |
| Other supplies and expenses | 132,600 | 133,926 | 133,926 |
| Total Expenditures | 590,025 | 595,925 | 595,925 |

**CITY OF PORTSMOUTH, VIRGINIA SCHOOL BOARD
BUDGET FORECAST**

Projections are for informational purposes and not for budget formation.

CAFETERIA FUND

| | 14/15 | 15/16 | 16/17 |
|-------------------------------|------------------|------------------|------------------|
| | Forecast | Forecast | Forecast |
| Revenues | | | |
| Intergovernmental | | | |
| From Commonwealth of Virginia | 106,121 | 106,651 | 107,185 |
| From Federal Government | 5,452,530 | 5,479,793 | 5,507,192 |
| Total intergovernmental | 5,558,651 | 5,586,444 | 5,614,376 |
| Charges for services | 1,491,393 | 1,536,135 | 1,582,219 |
| Miscellaneous | 671,491 | 671,491 | 671,491 |
| Total revenues | 7,721,535 | 7,794,070 | 7,868,086 |
| Expenditures | | | |
| Food Services | 7,721,535 | 7,794,070 | 7,868,086 |
| Total Expenditures | 7,721,535 | 7,794,070 | 7,868,086 |

GRANTS FUND

| | 14/15 | 15/16 | 16/17 |
|---|-------------------|-------------------|-------------------|
| | Forecast | Forecast | Forecast |
| Revenues | | | |
| Intergovernmental | | | |
| From Commonwealth of Virginia | 4,270,504 | 4,270,504 | 4,270,504 |
| From Federal Government | 18,686,931 | 18,686,931 | 18,686,931 |
| Total Intergovernmental | 22,957,435 | 22,957,435 | 22,957,435 |
| Transfers in | 1,205,218 | 1,205,218 | 1,205,218 |
| Miscellaneous | 246,240 | 246,240 | 246,240 |
| Total Revenues | 24,408,893 | 24,408,893 | 24,408,893 |
| Expenditures | | | |
| Instruction | 20,557,262 | 20,557,262 | 20,557,262 |
| Administration Attendance and Health Services | 1,196,853 | 1,196,853 | 1,196,853 |
| Information Technology | 2,430,847 | 2,430,847 | 2,430,847 |
| Operations and Maintenance | 223,931 | 223,931 | 223,931 |
| Total Expenditures | 24,408,893 | 24,408,893 | 24,408,893 |

**CITY OF PORTSMOUTH, VIRGINIA SCHOOL BOARD
BUDGET FORECAST**

Projections are for informational purposes and not for budget formation.

RISK MANAGEMENT & INSURANCE FUND

| | 14/15 Forecast | 15/16 Forecast | 16/17 Forecast |
|-------------------------------|---------------------------|---------------------------|---------------------------|
| Revenues | | | |
| Transfers In | 955,702 | 955,702 | 955,702 |
| Total Revenues | <u>955,702</u> | <u>955,702</u> | <u>955,702</u> |
| Expenditures | | | |
| Insurance Claims and Expenses | 955,702 | 955,702 | 955,702 |
| Total Expenditures | <u>955,702</u> | <u>955,702</u> | <u>955,702</u> |

TEXTBOOK FUND

| | 14/15 Forecast | 15/16 Forecast | 16/17 Forecast |
|-------------------------------|---------------------------|---------------------------|---------------------------|
| Revenues | | | |
| Intergovernmental | | | |
| From Match Requirement | 193,135 | 195,066 | 352,350 |
| From Commonwealth of Virginia | 522,180 | 527,402 | 926,598 |
| Total Revenues | <u>715,315</u> | <u>722,468</u> | <u>1,278,948</u> |
| Expenditures | | | |
| Instruction | 715,315 | 722,468 | 1,278,948 |
| Total Expenditures | <u>715,315</u> | <u>722,468</u> | <u>1,278,948</u> |

SOURCES OF REVENUE

Revenue for the school division is received from state, local, and federal governing bodies.

City Funds

City Funds revenue includes the appropriation approved by the City Council. The City appropriation includes the required local share of state funding as determined by the Local Composite Index (LCI) which sets the proportion of education funds provided by the state and local governments. For example, Portsmouth's LCI for the 2012-14 biennium of .2755 means that for each \$100 required for education, Portsmouth will fund \$27.55 and the state will fund \$72.45. This is an increase of \$2.58 in Portsmouth's LCI over the 2010-12 requirement.

Federal Funds

These funds are subject to the federal budget process. Categorical funds are for specific programs. Funds authorized through the American Recovery and Reinvestment Act of 2009 (ARRA) expired in 2012. For 2013-14, sequestration has resulted in an 8-10% drop in expected federal funds for impact aid which reimburses localities for the loss of tax revenue due to federal property located within their boundaries. We also expect to see reductions in certain federal grants, such as No Child Left Behind, Title I, Title VI-B, Special Education, and Education Technology.

Other Funds

Other Funds revenue includes E-Rate, non-resident tuition, fees and rents from the use of school buildings, and proceeds from the sale of surplus property. The E-Rate program is part of the Universal Services subsidy program of the Telecommunications Act of 1996. The subsidy program is to provide discounts on all telecommunications services and advanced telecommunications to schools, libraries, and rural health care organizations. The E-Rate program is regulated by the FCC and calls for discounts of 20 to 90 percent on all telecommunications services, Internet access, and internal connections for schools and libraries, depending on the applicant's location and economic status. The program is funded by fees charged to interstate telecommunication providers.

State Sales Taxes

A rate of one and one-eighth cent is distributed by the state for public education. Previously, a census was conducted every three years by each locality to determine the number of school-aged children who reside within the city. This census was used to determine the distribution of sales tax to the school division. Now, the distribution of sales tax is based on an annual estimate of the school-age population of a school division conducted by the Weldon Cooper Center for Public Service at the University of Virginia.

State Funds

State revenue includes funding for basic aid to support the Standards of Quality (SOQ), categorical aid, and incentive program revenue to support specific programs and initiatives. One factor used to determine the State's level of support for education in a locality is the Local Composite Index (LCI). This factor combines three measures of local fiscal capacity (assessed value of real property, adjusted gross income, and taxable retail sales) into a single index in an effort to measure each locality's ability to pay for education. The LCI is adjusted at the beginning of each biennium. In addition, the locality is required to match a portion of the funding from the State. For fiscal year 2013-14, Portsmouth's local share is \$26.5million.

Categories of State School Funds

| | |
|---|--|
| Adult Education | Funds provided to improve educational opportunities for adults to complete secondary school, obtain a GED, or to benefit from job training and retraining programs. |
| At-Risk | Funds to support the additional costs of educating at-risk students |
| Basic Aid (SOQ) | Funding for basic instructional positions calculated from minimum student to teacher ratios required by SOQ |
| CTE – Adult | Funds provided for adult persons who have academic or economic disadvantages |
| ESL | Funds support necessary education services to children not having English as their primary language. |
| Gifted Education (SOQ) | State share of support costs for the gifted education program |
| Group Life Insurance | State share of cost of employer contributions to the VRS for Group Life benefits |
| Homebound | Provides for continuation of educational services for special education students who are temporarily homebound for medical reasons |
| ISAEP | Funding for students in substantial need for an alternative program and at risk of dropping-out of school |
| K-3 Primary Class Reduction | Funding as an incentive for reducing class sizes below the required SOQ standard in kindergarten through grade 3 |
| Mentor Teacher Program | Support programs for new teachers |
| Prevention/Intervention/Remediation (SOQ) | Funds for additional professional instructional personnel to provide remedial services to at-risk children |
| Regional Tuition Program | Reimbursement for tuition paid to regional programs where students with certain disabilities can be served more appropriately and less expensively than the division's setting |
| Regular Foster Children | Reimbursement to the locality for educating students in foster care that are not residents of the division |
| Remedial Summer School | Funds provide additional educational opportunities for at-risk students. |
| Sales Tax | Funds distributed to localities in support of public education based on the locality's pro-rata share of school age population Social Security State share of Social Security costs for funded SOQ positions |
| Special Education in Jails | Reimbursement for the instructional costs of providing special education and related services to children with disabilities in regional or local jails |
| Special Education (SOQ) | State reimbursement for additional cost for special education programs |
| Teacher Retirement | Supports the state share of the cost of employer contributions to VRS for SOQ personnel |
| Vocational Education (SOQ) | Funds support career and technical education courses for students in grades 6-12. |

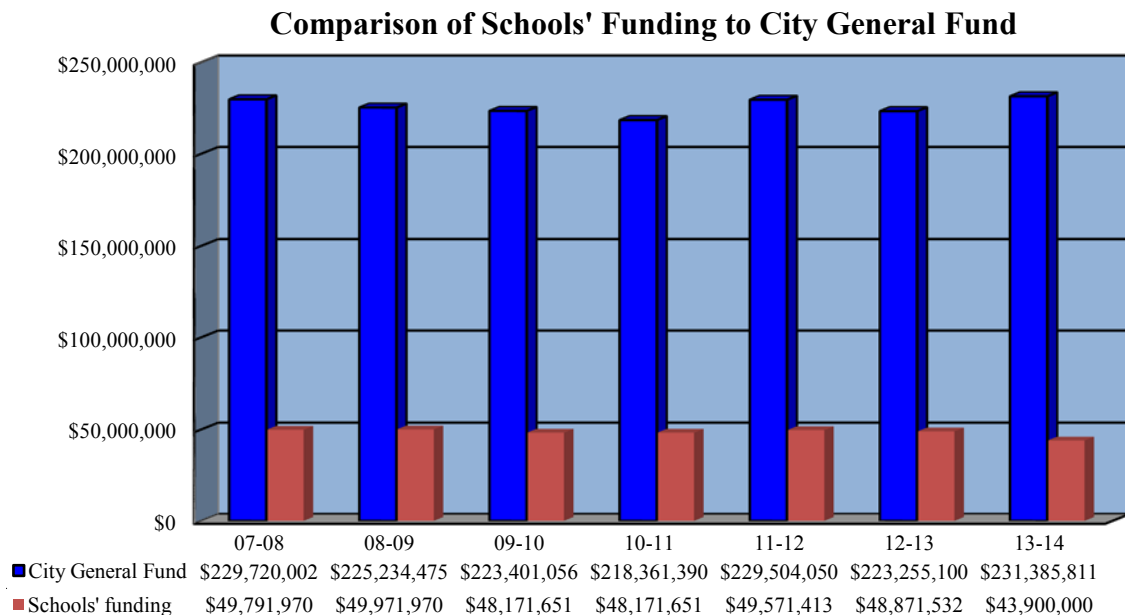
Actual revenue for the past three years and budgeted revenue for the current year are reflected in the table below.

| | 09/10 Actual | | 10/11 Actual | | 11/12 Actual | | 12/13 Budget | |
|-------------------|----------------------|--------|----------------------|--------|----------------------|--------|----------------------|--------|
| State Funds | \$78,741,650 | 44.49% | \$72,156,060 | 41.58% | \$73,024,224 | 42.17% | \$70,021,366 | 49.91% |
| State Sales Tax | \$12,739,137 | 7.20% | \$13,382,728 | 7.71% | \$13,882,887 | 8.02% | \$14,191,795 | 10.11% |
| Local Other Funds | \$54,711,400 | 30.91% | \$60,938,822 | 35.11% | \$57,875,802 | 33.42% | \$55,396,532 | 39.48% |
| Federal Funds | \$30,781,776 | 17.39% | \$27,068,277 | 15.60% | \$28,400,772 | 16.40% | \$700,000 | 0.50% |
| Total | \$176,973,963 | | \$173,545,887 | | \$173,183,685 | | \$140,309,693 | |

Source: Portsmouth Public Schools Finance Department: ASR Reports (Actual revenue)

Taxpayers and the School Board Budget

The greatest portion of our revenue comes from state and local funding. The dollar figure we receive from the state is declining. Funding from the City of Portsmouth decreased this year. As illustrated in the chart that follows, the City General Fund Budget has increased slightly (less than 1%) since fiscal year 2008 while the portion allotted to education has dropped by 2.7%.



CITY BUDGET EFFECT ON AVERAGE TAX PAYER



ASSESSED VALUE

TAX RATE

PAYMENT

\$150,000

**\$1.27 PER
\$100**

\$1,905



\$9000

**\$5.00 PER
\$100**

\$450



\$90,000

\$.50 PER \$100

\$450



\$11,000

**\$5.00 PER
\$100**

\$550



\$15,000

**\$3.00 PER
\$100**

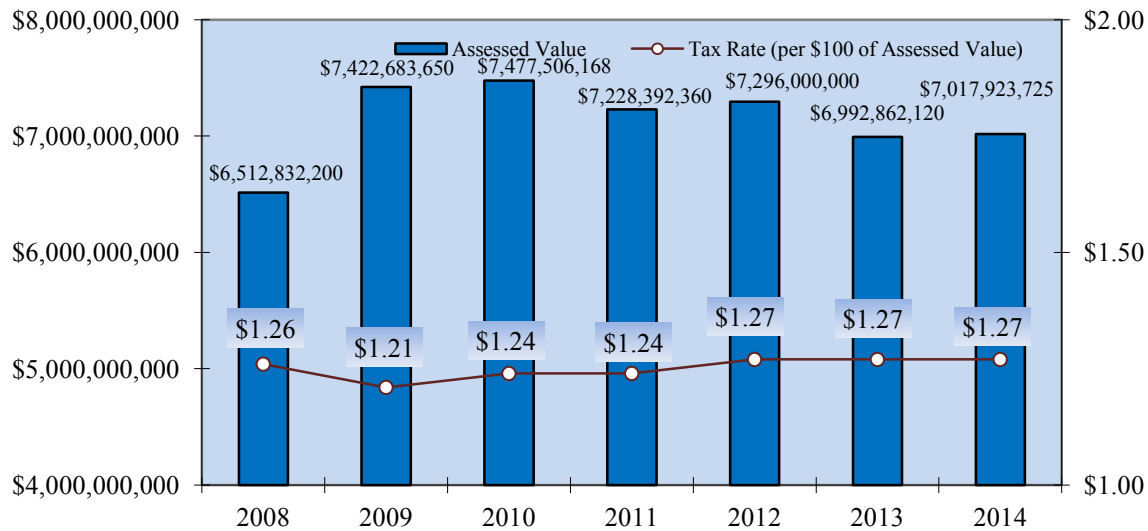
\$450

Assessed Value of Taxable Property

According to Virginia code, cities are required to assess property at 100% of the estimated market value. A story on HamptonRoads.com/PilotOnline.com dated March 12, 2013, reported that more than half of the residential properties in Portsmouth saw no change in their assessed value while 48.4 percent saw an assessment reduction, and less than 1 percent saw an increase. Overall, residential property values fell nearly 0.5 percent and commercial property values increased only 0.01 percent. The decline is much less than the 2.4 percent decline seen last year. According to the City Assessor, the deceleration of the decline can be attributed to new construction and converting nontaxable property to taxable property. Ninety-five new residential homes were added to the tax rolls and the school division can only assume those new homes will bring additional students, as well.

The tax rate of \$1.27 per \$100 of assessed value for real property for FY2014 was unchanged. In today's tight economy, the city is struggling to maintain quality services within the city without overly burdening its citizens. Tax revenue represents 85 percent of the city's revenue. The allocation to schools in the City budget is approximately 12% of the City's total budget. Using a \$100,000 property as an example, that homeowner contributes approximately \$152 of his \$1270 tax bill to education. For that expenditure, the citizens of Portsmouth are seeing improvements in their school system: Every school earned full accreditation, which is quite an improvement from only four fully-accredited schools in 2002. Our drop-out rate is declining and scores on the state Standards of Learning tests are rising. The following information illustrates the assessed value of taxable property in Portsmouth over the past few years and the tax rates, levies, and collections.

Taxable Property in Portsmouth, VA



Source: City Assessor's Office

Property Tax Rates, Levies, and Collections

Real Estate rate is per \$100 of assessed value

| <u>FY</u> | <u>Tax Rate</u> | <u>Tax Levy</u> | <u>Percent of Taxes Collected in Year of Levy</u> |
|-----------|-----------------|--|---|
| 2014 | 1.27 | <i>In his Budget Presentation for FY2014, the City Manager estimates real estate tax revenue of \$90,077,053 for FY2013 and \$88,373,826 for FY2014.</i> | |
| 2013 | 1.27 | | |
| 2012 | 1.27 | 92,659,186 | 92.5 |
| 2011 | 1.24 | 89,613,578 | 94.4 |
| 2010 | 1.24 | 92,594,347 | 95.3 |
| 2009 | 1.21 | 89,813,809 | 95.5 |
| 2008 | 1.26 | 82,061,047 | 98.4 |
| 2007 | 1.36 | 74,858,725 | 95.6 |

As required by State law, real estate is assessed at 100% of estimated fair market value.

Personal Property rate is per \$100 of assessed value

| <u>FY</u> | <u>Tax Rate⁽¹⁾</u> | | | <u>Tax Levy⁽²⁾</u> | <u>Percent of Taxes Collected in Year of Levy⁽³⁾</u> |
|-----------|-------------------------------|--------------|-------------|--|---|
| | <u>Vehicles</u> | <u>Boats</u> | <u>RV's</u> | | |
| 2014 | 5.00 | 0.50 | 1.50 | <i>In his Budget Presentation for FY2014, the City Manager estimates personal property tax revenue of \$23,591,878 for FY2013 and \$23,774,403 for FY2014.</i> | |
| 2013 | 5.00 | 0.50 | 1.50 | | |
| 2012 | 5.00 | 0.50 | 1.50 | 21,841,734 | 78.7 |
| 2011 | 5.00 | 0.50 | 1.50 | 18,093,172 | 75.5 |
| 2010 | 5.00 | 0.50 | 1.50 | 19,582,168 | 75.8 |
| 2009 | 5.00 | 0.50 | 1.50 | 19,030,247 | 74.4 |
| 2008 | 5.00 | 0.50 | 1.50 | 20,213,758 | 68.3 |
| 2007 | 5.00 | 0.01 | 1.50 | 21,976,362 | 73.2 |

(1) Most personal property, primarily vehicles and boats, is assessed at 100% of the National Automobile Dealer Association (NADA) average loan values and BUC Boat Price Guide values. Business personal property is assessed using a predetermined depreciation schedule.

(2) Excludes tax credit and collection tax credit from the Commonwealth.

(3) Personal property taxes are assessed on property owned as of January 1 and become due June 5th of each year. Because the due date falls so near the last day of the fiscal year, there is normally a substantial amount of delinquent taxes receivable as of the close of the fiscal year, the majority of which is collected in the following fiscal year.

Source: City of Portsmouth CAFR 2012 and Proposed FY 2014 Budget Presentation

Improved teacher retention factors greatly into maintaining full accreditation and improving test scores. As we have been able to raise and maintain the compensation level for our teachers compared to the surrounding divisions, we have retained better teachers who are experiencing success in educating our students. For FY2014, the School Board's budget includes a 2% cost-of-living raise for all employees but employees will also see an average increase of 10% in health insurance premiums. This additional cost, due to additional taxes imposed on employers and health insurance providers by the Affordable Care Act, is being passed along to employees.

Another factor affecting employees is the Virginia Retirement System (VRS) hybrid plan that will go into effect for all new hires on January 1, 2014. This plan combines the features of the current defined benefit plan (a monthly retirement benefit based on age, total service credit, and average final compensations) with features of a defined contribution plan (a retirement benefit based on contributions and investment performance of these contributions). Current VRS plan employees will have the option to transfer to the hybrid plan during a one-time election period. If they choose the hybrid plan, the decision is irrevocable and will become effective July 1, 2014. Hybrid plan members will contribute 5% similar to the current members but they will also have the option of making additional contributions of 4%. This choice will also require an additional 2.5% cost at the most.

To more efficiently provide services to our students, we constantly revise our staffing requirements to match those mandated by the state while maintaining the highest quality services. In an effort to preserve our instruction environment at the lowest possible cost, we trimmed our custodial staff and adjusted their schedules so that the bulk of the cleaning in our buildings can take place at night.

We continue to renovate our school buildings and replace those that have become antiquated to provide the finest learning environment possible for our students. Since sports are a recognized complement to the learning experience, we have expanded athletics programs at the middle school level and added or improved athletic facilities at all three high schools. The School Board voted to invite corporate sponsorships to enhance funding for athletics. Recognizing that exercise is an important component of good health, we have built gymnasiums at all of our elementary schools to allow for physical exercise activities without regard to inclement weather.

To better serve our preschool population we established preschool centers in an effort to give students the best start to their school careers as is possible. In 2010-11, we added a preschool center in the Churchland Academy building to serve those students living in the Churchland area. With the opening of the new Simonsdale Elementary School, the Olive Branch Elementary School building was converted to a preschool center and we closed the Diagnostic, Adjustive, and Correctional Center that served preschool-age, handicapped students. Those students now receive instruction under the inclusion model at the various preschool centers.

During the 2011-12 school year the Early Up program was implemented to identify students with reading problems in kindergarten and first grade. Statistics have shown that the best predictor for whether a student will become a drop-out is their third grade reading test. To further reduce the dropout rate and ensure that every student has the opportunity to complete their education we implemented Project Uplift in conjunction with ISAEP for older students. It serves as an alternative education setting for those students who cannot be allowed to remain in the regular classroom setting.

Our course offerings through the Career and Technical Education program provide opportunities for our students to explore numerous career paths, such as Hotel/Motel Management, Early Childhood Education, and the Culinary Arts, to name a few. Upon completion of many courses our students not only receive training but also hold certification that prepares them to enter the workplace shortly after graduation.

In the spring and summer of 2004, Portsmouth Public Schools developed a strategic and comprehensive plan that addressed the most urgent needs of the school division. Late in 2006, it became increasingly evident that most of the critical goals of the 2004 plan had either been achieved or had morphed into different issues. With this understanding generally shared by the members of the Portsmouth City

School Board, they met in a retreat in February 2007 for the express purpose of beginning the development of a new comprehensive plan for the school division. The result was a plan led by the School Board that charted the course for Portsmouth Public Schools for the next ten years.

The Board is required to review this plan every two years. At its retreat in summer 2009 the Board received an update on progress toward implementing the plan. In December 2009 they adopted a revised plan that included an additional vision of educational facilities that contribute to the learning environment and are both safe and accessible for students and staff. In the fall of 2011 the Board reviewed the plan and adopted it in December 2011 with only minor changes.

The first vision the Board adopted reflected their commitment to strong board leadership: “By 2017 the Portsmouth City School Board will be a leading force in community advancement”. To realize this vision, the Board set two goals:

A) recognition as a “Board of Distinction” by the Virginia School Boards Association (VSBA)

B) technology implementation to increase the efficiency of its operation.

The Board has met all requirements and was recognized by VSBA as a Board of Distinction at its state convention in the fall of 2010. The Board is exploring methods of automating School Board meetings to meet Goal B and will implement them as funding allows.

The Board’s second vision underscores its belief that students need committed and supportive parents and vows that all parents will be excited about and claim ownership of their children’s education. Schools are encouraging parental commitment and involvement by creating more parent-friendly environments. Individual schools have begun establishing greeting stations and parent information dissemination centers. Working with city agencies, administrators are establishing community involvement centers within the schools. Recognizing the importance of keeping parents informed about activities throughout the school division, the School Board has encouraged increased use of the division’s television air time to promote events throughout the division, to share information with parents and community members, and to air School Board meetings. The School Board adopted a Communications and Marketing Plan in June 2010 that includes strategies to improve community relations as well as crisis communications. A division-wide telephone notification system quickly informs parents about emergencies or other important notices. The Office of Communications will establish a speakers’ bureau consisting of principals, teachers, central-office personnel, and others who are considered an authority on a particular topic to reach out to the community and to promote the division’s story with accurate information which will help to dispel rumors.

Acknowledging that our most important product is our graduates, the Board’s third vision was for all graduates to be highly sought-after by both employers and institutions of higher learning. They have set a goal of 100% of PPS students graduating and entering post high school education programs or jobs that require specific training. Beginning with the 2011-12 school year state standards required a school division to achieve a graduation index of 85% and the index rises each following year. This complex index measures the on-time graduation rate of a cohort of students who entered high school four years before. The division is exploring ways to reduce the dropout rate in order to meet the additional on-time graduation requirement. The state on-time graduation rate for our three high schools is improving as illustrated in the chart below. In spite of greatly improving their graduation rate, only one high school met the on-time graduation requirement.

| High School Dropout Rates | | | | | | | | | |
|----------------------------------|--|-----------------|---|--|-----------------|---|--|-----------------|---|
| | Class of 2012 | | | Class of 2011 | | | Class of 2010 | | |
| | First-time 9th Grade Cohort 2008-09 | | | First-time 9th Grade Cohort 2007-08 | | | First-time 9th Grade Cohort 2006-07 | | |
| | Dropouts | Dropout Rate | Virginia On-time Graduation Rate | Dropouts | Dropout Rate | Virginia On-time Graduation Rate | Dropouts | Dropout Rate | Virginia On-time Graduation Rate |
| SCHOOLS | | | | | | | | | |
| CHURCHLAND HIGH | 17 | 4.3% | 91.9 | 23 | 5.9% | 90.3 | 52 | 12.1% | 80.8% |
| I. C. NORCOM HIGH | 58 | 17% | 76 | 66 | 17.5% | 75.1 | 98 | 22.5% | 63.5% |
| WOODROW WILSON HIGH | 52 | 15.5% | 72.7 | 62 | 18.2% | 64.8 | 96 | 26.6% | 57.6% |

Source: Virginia Department of Education

The Board's fourth vision is an augmentation of program evaluation. The Board expects PPS to be recognized by educational organizations and institutions of higher learning for its innovative and effective programs. Many of these programs have already been mentioned elsewhere in this document: preschool programs, alternative education programs, career and technical programs, post high school coursework, etc. Recognizing that some of the course completion goals they previously set for graduation exceeded state standards, the Board aligned the goals for this vision to parallel state standards. Facing rising on-time graduation rate requirements, the Board wanted to ensure that students were not penalized because of the higher standards, causing students to delay or miss graduation. At the same time, additional elective courses in the areas of mathematics, science, and foreign languages are offered to better prepare our students for their post-graduation world.

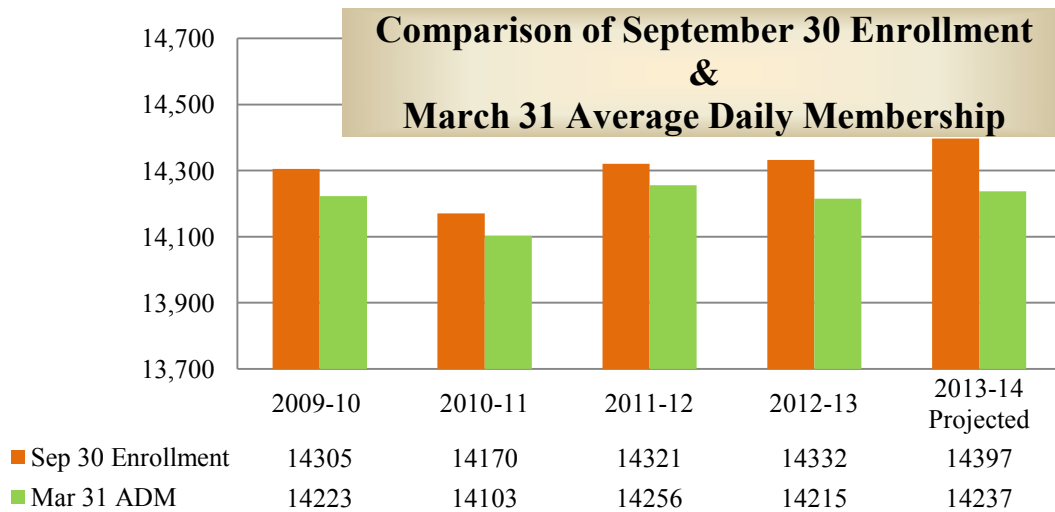
Next, the School Board envisions that our students will be exemplary student citizens. PPS will provide leadership development programs for all students. Various activities are being implemented at elementary, middle, and high school levels that focus on political awareness, community service, and civic and social responsibility.

The School Board's final vision, added in 2009, concerns facilities and technology that contribute to the learning environment for students and provide safe and accessible facilities for students and staff. The first step is constructing a new Simonsdale Elementary School and providing for gymnasium facilities at all elementary schools. The new Simonsdale Elementary School opened in fall 2011 precipitating other goals under this vision: elimination of mobile classrooms at all schools and a fourth preschool center at the Olive Branch building. Many of the visions and goals spelled-out in Vision VI were already being implemented such as effective, environmentally-friendly cleaning procedures and updating our technology infrastructure. The Board felt it was important to address these items in the comprehensive plan rather than assume that they were common practice.

Basic school aid from the state is based on ADM and is a significant portion of the revenue we receive. For the 2013-14 school year, the Weldon Cooper Center for Public Service of the University of Virginia predicts the fall membership in Portsmouth Public Schools will be 14397. Their projection does not factor in the military population which fluctuates in our city. To compensate and more accurately predict enrollment for budgeting and planning purposes, we use historical data along with the projections of the Cooper Center. For the 2013-14 school year, we based our budget on the state's estimated average daily membership (ADM) of 14,253 students. Since a large portion of our budget revenue is based on the ADM, we are able to predict, with some certainty, our total revenue for state basic aid.

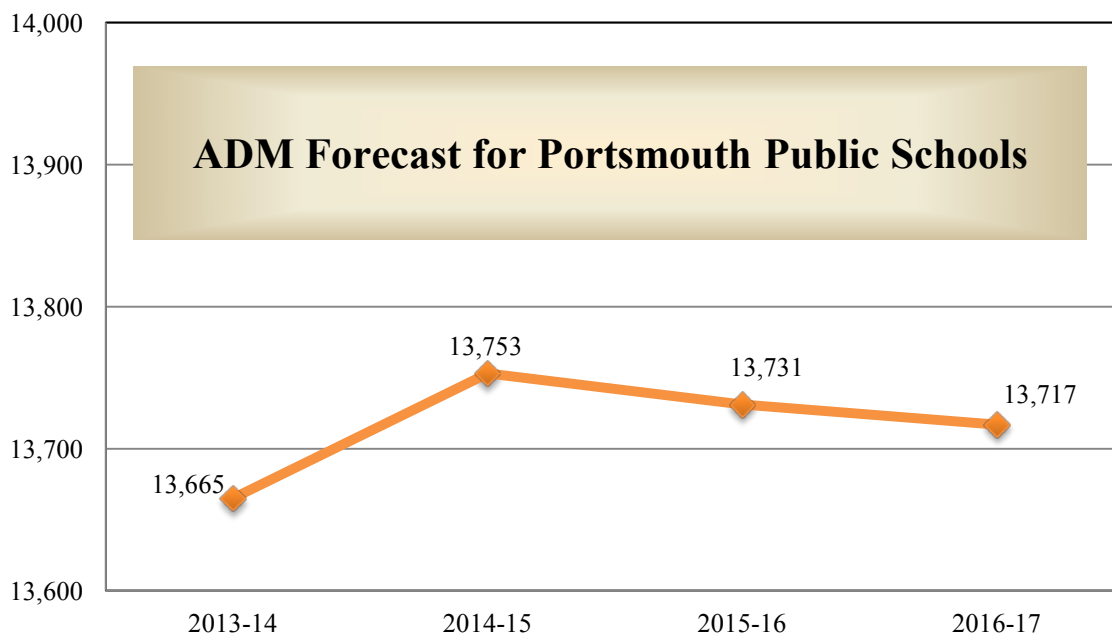
Enrollment & Membership Information

The chart below compares the fall membership projections of the Cooper Center to our spring ADM information. Historically, enrollment falls slightly between the September 30 membership count and the average daily membership (ADM) reported as of March 31 each year. Fall membership and spring ADM reflect students in grades K-12 only.



2013-14 Projection Source: Weldon Cooper Center and 2012-13 Spring Financial Verification Report

The Weldon Cooper Center forecast for the next two years predicts a lower enrollment over the period. As previously stated, we have found this forecast to be rather conservative since it does not take into account the fluctuating military population in our area. The ADM forecast for Portsmouth Public Schools as predicted by the Weldon Cooper Center for school years 2014 through 2016 is depicted in the graph that follows. We are estimating a continued fluctuation of approximately .1% for the 2016-17 school year.

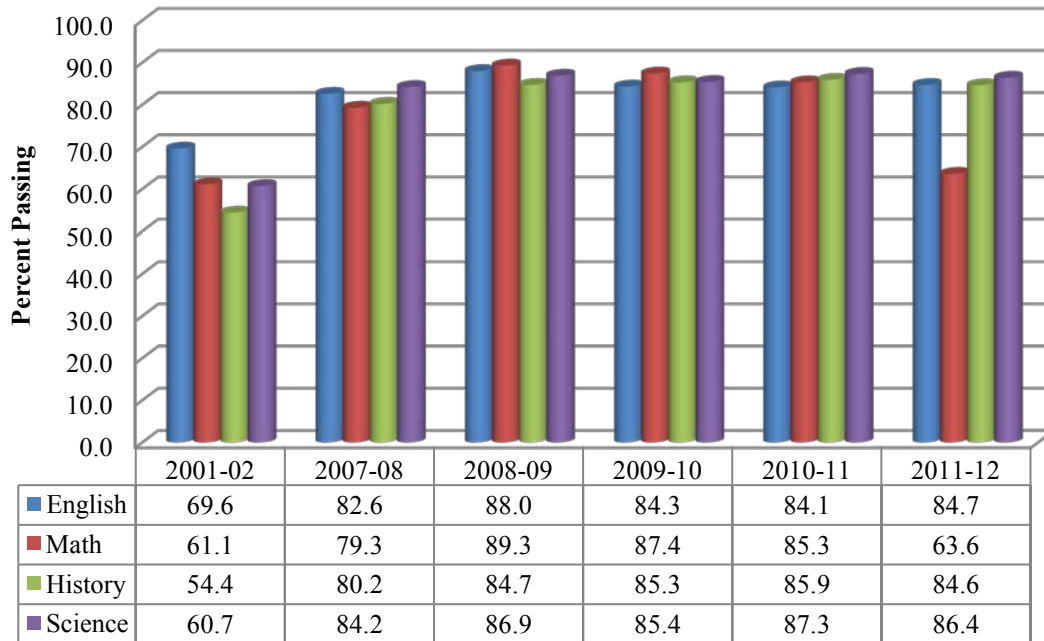


PRE-K - GRADE 12 ENROLLMENT BY SCHOOL

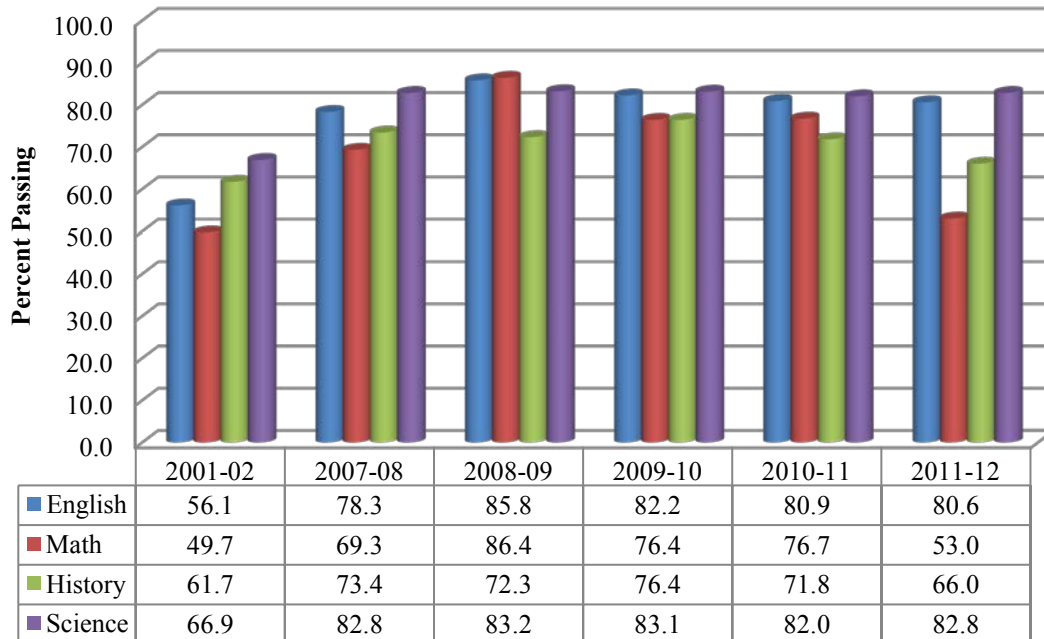
| | <u>2008-09</u> | <u>2009-10</u> | <u>2010-11</u> | <u>2011-12</u> | <u>2012-13</u> |
|-----------------------------------|---------------------------|----------------|----------------|------------------|----------------|
| ELEMENTARY SCHOOLS | | | | | |
| Brighton | 594 | 559 | 544 | 488 | 511 |
| Churchland Academy | 949 | 908 | 843 | 689 | 722 |
| Churchland | 739 | 783 | 742 | 804 | 803 |
| Churchland Primary & Intermediate | 537 | 548 | 562 | 616 | 612 |
| Douglass Park | 535 | 626 | 550 | 638 | 666 |
| Hodges Manor | 591 | 594 | 600 | 556 | 544 |
| James Hurst | 656 | 633 | 620 | 758 | 714 |
| Lakeview | 595 | 601 | 556 | 530 | 547 |
| Olive Branch | 357 | 369 | 355 | (Closed 2011-12) | |
| Park View | 741 | 614 | 635 | 637 | 622 |
| Simonsdale | 260 | 310 | 309 | 731 | 744 |
| John Tyler | 707 | 742 | 754 | 719 | 686 |
| Victory | 478 | 626 | 656 | 564 | 582 |
| Westhaven | 524 | 534 | 603 | 571 | 563 |
| MIDDLE SCHOOLS | | | | | |
| Churchland | 944 | 879 | 845 | 918 | 902 |
| Cradock | 560 | 503 | 550 | 603 | 619 |
| William E. Waters | 588 | 538 | 545 | 592 | 594 |
| HIGH SCHOOLS | | | | | |
| Churchland | 1615 | 1510 | 1448 | 1410 | 1366 |
| I. C. Norcom | 1354 | 1352 | 1288 | 1208 | 1138 |
| Woodrow Wilson | 1230 | 1264 | 1202 | 1232 | 1339 |
| SPECIALITY CENTERS | | | | | |
| Churchland Preschool Center | (new 2010-11) | | 159 | 174 | 169 |
| D.A.C. Center | 65 | Closed | 90 | (Closed 2011-12) | |
| Emily N. Spong Preschool | 263 | 242 | 267 | 242 | 230 |
| EXCEL Campus | (reported at home school) | | | | |
| Mt. Hermon Preschool | 244 | 279 | 210 | 233 | 216 |
| Olive Branch Preschool Center | (new 2011-12) | | | 157 | 184 |
| New Directions Center | (reported at home school) | | | | |
| Project Uplift | 58 | 64 | 86 | 61 | 58 |
| TOTAL Enrollment | 15184 | 15169 | 15019 | 15131 | 15131 |

Source: Portsmouth Public Schools, Office of Research and Evaluation

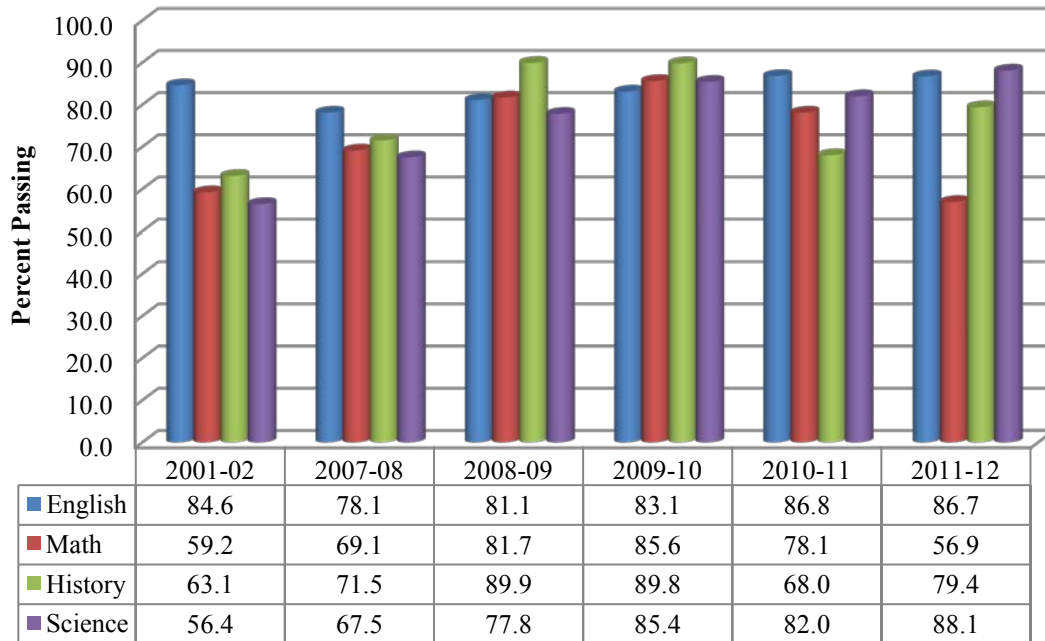
ELEMENTARY SCHOOLS SUMMARY SOL PASS RATES OVER TIME BY CORE AREAS



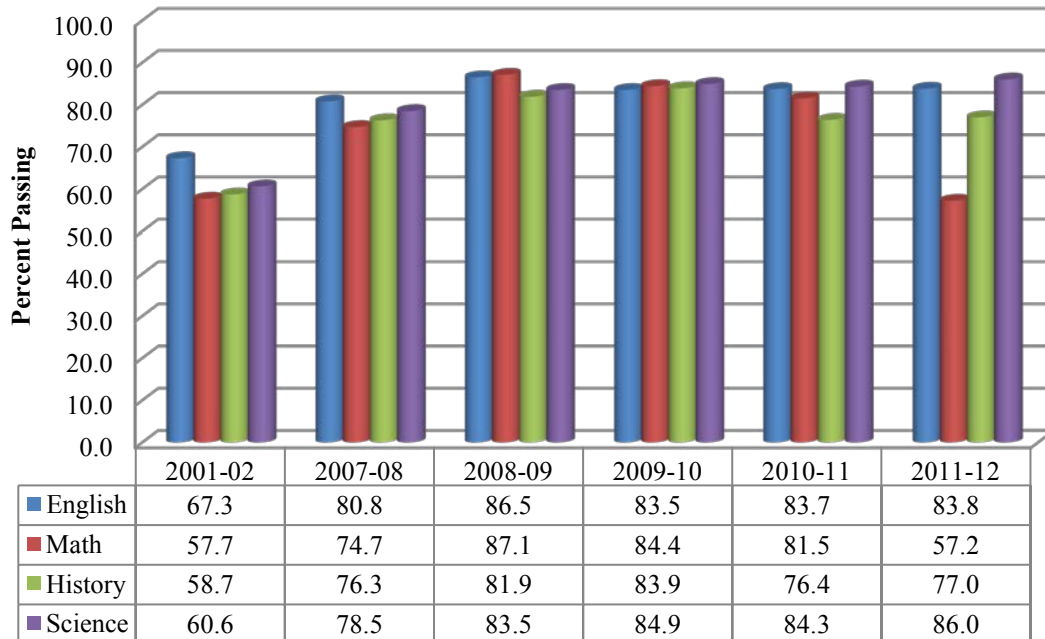
MIDDLE SCHOOLS SUMMARY SOL PASS RATES OVER TIME BY CORE AREAS



HIGH SCHOOLS SUMMARY SOL PASS RATES OVER TIME BY CORE AREAS



DIVISION SUMMARY SOL PASS RATES OVER TIME BY CORE AREAS



Source: Portsmouth Public Schools, Office of Research and Evaluation

POSITION CONTROL ALLOCATIONS BY FUND

| | 09- 10 | 10- 11 | 11- 12 | 12- 13 | PROJECTED 13-14 |
|-------------------------------|------------|------------|------------|------------|--------------------|
| CAFETERIA FUND | | | | | |
| ASSOCIATE 200 DAY - 7 HOUR | 0 | 0 | 1 | 1 | 1 |
| ASSOCIATE 260 DAY - 8 HOUR | 2 | 2 | 2 | 2 | 2 |
| COORDINATOR | 1 | 1 | 1 | 1 | 1 |
| FOOD SERVICES 4.5 HRS | 8 | 4 | 4 | 4 | 4 |
| FOOD SERVICES 5.5 HRS | 46 | 45 | 45 | 45 | 45 |
| FOOD SERVICES 6.0 HRS | 48 | 48 | 48 | 48 | 48 |
| FOOD SERVICES 6.5 HRS | 0 | 0 | 0 | 0 | 0 |
| FOOD PRODUCTION CHEF | 0 | 0 | 0 | 0 | 0 |
| FOOD SERVICES MAINTENANCE | 0 | 0 | 0 | 0 | 0 |
| FOOD SERVICES MANAGER | 23 | 23 | 23 | 23 | 23 |
| PART TIME WITH POSITION | 27 | 32 | 35 | 35 | 35 |
| SUPERVISOR | 3 | 3 | 3 | 3 | 3 |
| TOTAL FOR FUND | 158 | 158 | 162 | 162 | 162 |
| GENERAL FUND | | | | | |
| ASSISTANT DIRECTOR | 1 | 1 | 2 | 2 | 1 |
| ASSISTANT SUPERINTENDENT | 2 | 2 | 2 | 2 | 0 |
| ASSOCIATE 200 DAY - 7 HOUR | 34 | 31 | 30 | 30 | 29 |
| ASSOCIATE 260 DAY - 7 HOUR | 27 | 19 | 18 | 18 | 17 |
| ASSOCIATE 260 DAY - 8 HOUR | 67 | 64 | 64 | 66 | 64 |
| ASSOCIATE 260 DAY - 7.25 HOUR | 8 | 19 | 17 | 17 | 17 |
| ATTENDANCE OFFICERS | 3 | 3 | 3 | 3 | 3 |
| BUS DRIVER | 123 | 122 | 122 | 122 | 126 |
| BUS MONITOR | 43 | 43 | 43 | 43 | 43 |
| CLINIC ASSISTANT | 1 | 1 | 0 | 0 | 0 |
| COORDINATOR | 5 | 6 | 5 | 4 | 3 |
| CROSSING GUARD 10 MTH | 36 | 36 | 30 | 30 | 30 |
| CUSTODIAN | 74 | 61 | 64 | 64 | 64 |
| CUSTODIAN, HEAD | 22 | 18 | 17 | 17 | 17 |
| CUSTODIAN, LEAD | 25 | 23 | 23 | 23 | 23 |
| DELIVERY PERSONNEL | 2 | 2 | 2 | 2 | 2 |
| DIRECTOR | 11 | 11 | 11 | 11 | 10 |
| DEPUTY SUPERINTENDENT | 0 | 0 | 0 | 0 | 1 |
| ELEMENTARY SCHOOL PRINCIPAL | 17 | 16 | 14 | 14 | 17 |
| ELEM SCHOOL ASST PRINCIPAL | 16 | 14 | 16 | 16 | 13 |
| EXECUTIVE ADMINISTRATOR | 0 | 0 | 0 | 0 | 1 |
| GRADUATION COACH | 0 | 0 | 0 | 0 | 2 |
| GUIDANCE COUNSELOR | 26 | 26 | 25 | 25 | 23 |
| GUIDANCE COUNSELOR 10+1 | 6 | 6 | 4 | 6 | 6 |
| GUIDANCE COUNSELOR 10+2 | 3 | 3 | 3 | 3 | 3 |
| HIGH SCHOOL ASST PRINCIPAL | 9 | 9 | 9 | 9 | 9 |

POSITION CONTROL ALLOCATIONS BY FUND

| | 09- 10 | 10- 11 | 11- 12 | 12- 13 | PROJECTED 13-14 |
|---------------------------------------|-----------|-----------|-----------|-----------|--------------------|
| HIGH SCHOOL PRINCIPAL | 3 | 3 | 3 | 3 | 3 |
| HOME SCHOOL LIAISON | 2 | 2 | 0 | 0 | 0 |
| IN-SCHOOL SUSPENSION I | 4 | 4 | 4 | 4 | 4 |
| IN-SCHOOL SUSPENSION II | 3 | 3 | 3 | 3 | 3 |
| INSTRUCTIONAL ASSISTANT | 39 | 4 | 3 | 3 | 0 |
| INSTRUCTIONAL ASSISTANT SPED | 155 | 153 | 148 | 147 | 151 |
| INSTRUCTIONAL ASSISTANT SEVERE & PROF | 0 | 0 | 0 | 0 | 0 |
| INTERPRETER | 6 | 6 | 6 | 6 | 6 |
| LIBRARY MEDIA SPECIALIST | 25 | 24 | 23 | 23 | 22 |
| MAINTENANCE PERSONNEL | 25 | 24 | 23 | 23 | 23 |
| MAINTENANCE PERSONNEL EXEMPT | 1 | 1 | 1 | 1 | 1 |
| MANAGER | 3 | 3 | 5 | 5 | 6 |
| MEDIA PERSONNEL | 1 | 1 | 0 | 0 | 0 |
| MIDDLE SCHOOL PRINCIPAL | 4 | 4 | 4 | 4 | 4 |
| MIDDLE SCHOOL ASST PRINCIPAL | 9 | 8 | 8 | 7 | 7 |
| NURSE | 25 | 26 | 26 | 26 | 26 |
| NURSE 10+2 | 1 | 0 | 0 | 0 | 0 |
| OCCUPATIONAL/PHYSICAL TH 10+1 | 2 | 1 | 1 | 1 | 1 |
| OCCUPATIONAL/PHYSICAL TH 10+2 | 1 | 1 | 1 | 1 | 1 |
| OCCUPATIONAL/PHYSICAL THERPST | 2 | 2 | 1 | 1 | 1 |
| OFFICERS | 1 | 1 | 1 | 1 | 0 |
| OTHER PROFESSIONAL STAFF | 3 | 4 | 3 | 3 | 3 |
| PART TIME WITH POSITION | 3 | 3 | 3 | 3 | 4 |
| PROGRAM SPECIALIST | 8 | 9 | 8 | 8 | 9 |
| PSYCHOLOGIST | 3 | 2 | 5 | 5 | 0 |
| PSYCHOLOGIST 10+2 | 2 | 2 | 4 | 0 | 0 |
| PURCHASING PERSONNEL - NON EXE | 1 | 1 | 1 | 1 | 1 |
| PURCHASING PERSONNEL- EXEMPT | 1 | 1 | 1 | 1 | 1 |
| ROTC INSTRUCTORS | 7 | 7 | 7 | 7 | 7 |
| SCHOOL BOARD | 9 | 9 | 9 | 9 | 9 |
| SECURITY OFFICERS | 18 | 18 | 17 | 17 | 17 |
| SENIOR SUPERVISOR | 11 | 11 | 11 | 11 | 9 |
| SOCIAL WORKER | 1 | 1 | 1 | 1 | 1 |
| SOCIAL WORKER 10+1 | 2 | 2 | 3 | 3 | 3 |
| SOCIAL WORKER 10+2 | 5 | 5 | 4 | 4 | 4 |
| SPEECH / HEARING / SIGHT THERP | 21 | 20 | 17 | 16 | 16 |
| SPEECH/HEARING/SIGHT TH 10+2 | 1 | 1 | 1 | 1 | 1 |
| STUDENT RESOURCE LIAISON | 3 | 3 | 3 | 3 | 3 |
| SUPERINTENDENT | 1 | 1 | 1 | 1 | 1 |
| SUPERVISOR | 11 | 11 | 11 | 11 | 10 |
| SUPERVISOR 10+1 | 0 | 0 | 0 | 0 | 0 |
| TEACHER | 772 | 752 | 739 | 739 | 756 |
| TEACHER SPECIAL ED | 160 | 159 | 146 | 146 | 148 |
| TEACHER 10+2 | 14 | 12 | 10 | 10 | 8 |

POSITION CONTROL ALLOCATIONS BY FUND

| | 09- 10 | 10- 11 | 11- 12 | 12- 13 | PROJECTED 13-14 |
|--------------------------------|-------------|-------------|-------------|-------------|--------------------|
| TEACHER 10+1 | 3 | 3 | 2 | 2 | 1 |
| TEACHER SPECIALIST | 1 | 1 | 0 | 0 | 0 |
| TEACHER SPECIALIST 10+1 | 0 | 0 | 0 | 0 | 0 |
| TECHNOLOGY PERSONNEL - NON EXE | 8 | 8 | 8 | 8 | 7 |
| TECHNOLOGY PERSONNEL EXEMPT | 14 | 14 | 12 | 12 | 12 |
| WAREHOUSE PERSONNEL | 4 | 3 | 3 | 3 | 3 |
| TOTAL FOR FUND | 1960 | 1870 | 1815 | 1811 | 1817 |

GRANT FUND

| | | | | | |
|--------------------------------|------------|------------|------------|------------|------------|
| ASSOCIATE 200 DAY - 7 HOUR | 0 | 0 | 1 | 1 | 1 |
| ASSOCIATE 260 DAY - 7 HOUR | 4 | 3 | 3 | 3 | 3 |
| ASSOCIATE 260 DAY - 8 HOUR | 3 | 3 | 3 | 3 | 3 |
| ASSOCIATE 260 DAY - 7.25 HOUR | 0 | 0 | 1 | 1 | 1 |
| COORDINATOR | 2 | 2 | 2 | 3 | 2 |
| ELEMENTARY SCHOOL PRINCIPAL | 2 | 2 | 2 | 2 | 2 |
| HOME SCHOOL LIAISON | 1 | 1 | 1 | 1 | 1 |
| HOME SCHOOL LIAISON 12 MTH | 1 | 1 | 1 | 1 | 1 |
| INTERPRETER | 0 | 1 | 0 | 0 | 0 |
| INSTRUCTIONAL ASSISTANT | 57 | 54 | 58 | 58 | 69 |
| INSTRUCTIONAL ASSISTANT SPED | 6 | 8 | 9 | 9 | 0 |
| MAINTENANCE PERSONNEL | 1 | 1 | 1 | 1 | 1 |
| OTHER PROFESSIONAL STAFF | 0 | 0 | 1 | 1 | 1 |
| PART TIME WITH POSITION | 0 | 0 | 2 | 2 | 3 |
| PROGRAM SPECIALIST | 7 | 7 | 7 | 7 | 9 |
| PSYCHOLOGIST | 3 | 4 | 0 | 0 | 0 |
| PSYCHOLOGIST 10+2 | 3 | 2 | 0 | 5 | 4 |
| SENIOR SUPERVISOR | 6 | 6 | 6 | 6 | 5 |
| SOCIAL WORKER 10+1 | 0 | 0 | 0 | 0 | 0 |
| SOCIAL WORKER 10+2 | 0 | 0 | 0 | 0 | 0 |
| SPEECH / HEARING / SIGHT THERP | 0 | 1 | 1 | 1 | 1 |
| STUDENT RESOURCE LIAISON | 4 | 4 | 1 | 1 | 1 |
| TEACHER | 89 | 91 | 93 | 90 | 90 |
| TEACHER SPECIAL ED | 10 | 13 | 14 | 14 | 14 |
| TEACHER 10+1 | 9 | 8 | 4 | 4 | 3 |
| TEACHER 10+2 | 4 | 4 | 3 | 3 | 3 |
| TEACHER 10+2 SPECIAL ED | 2 | 1 | 0 | 0 | 0 |
| TEACHER SPECIALIST | 7 | 10 | 11 | 11 | 11 |
| TOTAL FOR FUND | 221 | 227 | 225 | 228 | 229 |

POSITION CONTROL ALLOCATIONS BY FUND

| | 09- 10 | 10- 11 | 11- 12 | 12- 13 | PROJECTED 13-14 |
|-----------------------------|-------------|-------------|-------------|-------------|--------------------|
| REPROGRAPHICS FUND | | | | | |
| ASSOCIATE 260 DAY - 8 HOUR | 2 | 2 | 1 | 1 | 1 |
| PRINT SHOP PERSONNEL | 4 | 4 | 4 | 4 | 4 |
| SUPERVISOR | 1 | 1 | 1 | 1 | 1 |
| TOTAL FOR FUND | 7 | 7 | 6 | 6 | 6 |
| STIMULUS FUNDS | | | | | |
| OCCUPATIONAL/PHYSICAL | 1 | 1 | 0 | 0 | 0 |
| OTHER PROFESSIONAL | 0 | 1 | 0 | 0 | 0 |
| PARAPROFESSIONAL | 4 | 3 | 0 | 0 | 0 |
| PROGRAM SPECIALIST | 1 | 0 | 0 | 0 | 0 |
| PSYCHOLOGIST 10+2 | 0 | 1 | 0 | 0 | 0 |
| SENIOR SUPERVISOR | 1 | 0 | 0 | 0 | 0 |
| SOCIAL WORKER 10+1 | 1 | 1 | 0 | 0 | 0 |
| SPECIAL ED PARAPROFESSIONAL | 1 | 3 | 0 | 0 | 0 |
| SPECIAL ED TEACHER | 1 | 0 | 0 | 0 | 0 |
| TEACHER | 16 | 12 | 0 | 0 | 0 |
| TEACHER SPECIALIST | 8 | 3 | 0 | 0 | 0 |
| TOTAL FOR FUND | 34 | 25 | 0 | 0 | 0 |
| TEXTBOOK FUND | | | | | |
| ASSOCIATE 260 DAY - 8 HOUR | 1 | 1 | 1 | 1 | 1 |
| TOTAL FOR FUND | 1 | 1 | 1 | 1 | 1 |
| TOTAL FOR ALL FUNDS | 2381 | 2288 | 2209 | 2208 | 2215 |

MANAGEMENT OF FUNDS

The Division Superintendent or his/her designee shall be responsible for administering the division budget in accordance with Board policies and applicable state and federal regulations and laws; therefore, the Division Superintendent or his/her designee will use appropriate fiscal planning and management methods, modeled after the best accepted business practices and directed toward the educational goals of the division.

1. If the appropriating body approves the School Board budget by total expenditures, funds may be transferred by the School Board from one category to another. If funds are appropriated to the School Board by major classifications, no funds shall be expended by the School Board except in accordance with such classifications without the consent of the body appropriating the funds.
2. The Division Superintendent may be authorized by the School Board to make line item transfers within a category.

The School Board shall manage and control the funds made available to the School Board for the public schools and may incur costs and expenses.

Adopted: December 19, 1996 - VSBA

Revised: April 19, 2001 – CEPI (R)

Revised: May 22, 2008

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Legal Refs.: *Code of Virginia*, 1950, as amended, §§ 22.1-78, 22.1-89, 22.1-94.

ANNUAL BUDGET

The annual school budget is the financial outline of the division's education program. It presents a proposed plan of expenditures and the expected means of financing those expenditures. After adoption, it provides the primary means of managing expenditures.

The fiscal year begins on the first day of July and ends on the thirtieth day of the following June.

The Division Superintendent shall prepare, with the approval of the School Board, and submit to the appropriating body, an estimate of the amount of money needed during the next fiscal year for the support of the public schools of the school division. The estimate shall set up the amount of money needed for each major classification prescribed by the Board of Education and such other headings or items as may be necessary.

The Division Superintendent or his/her designee shall prepare a budget calendar identifying all deadlines for the annual budgetary process. The calendar shall include at least one work session for reviewing the budget and at least one public hearing on the budget. Notice of the time and place for the public hearing must be published at least ten days in advance, in a newspaper having general circulation within the school division.

Upon approval of the school division's budget by the appropriating body, the school division shall publish the approved budget, including the estimated required local match, on its website and the document shall also be made available in hard copy as needed to citizens for inspection.

Adopted: December 19, 1996
 Revised: April 19, 2001
 Revised: April 17, 2003
 Revised: May 22, 2008
 Revised: February 26, 2009
 Revised: July 2, 2009
 Revised: September 22, 2011

Legal Refs.: *The Code of Virginia*, 1950, as amended, §§ 15.2-2500, 15.2-2503, 15.2-2504, 15.2-2506, 22.1-91, 22.1-92, 22.1-93, 22.1-94.

GLOSSARY

| | |
|----------------------|--|
| AC=13 | Academics and Career After High School = 13th Year |
| ADM | Average Daily Membership reported to Virginia Department of Education yearly as of March 31 |
| Appropriation | A legal authorization to incur obligations and to make expenditures for specific purposes |
| Attrition | A method of achieving a reduction in personnel by not refilling the positions vacated through resignation, reassignment, transfer, retirement, or means other than layoffs |
| ARRA | American Recovery & Reinvestment Act of 2009 |
| AYP | Adequate Yearly Progress under No Child Left Behind guidelines |
| Authorized Positions | Employee positions, which are authorized in the adopted budget, to be filled during the year |
| Budget | A plan of financial activity for a specified period of time (fiscal year or biennium) indicating all planned revenues and expenses for the budget period |
| Budget Process | A schedule of activities, responsibilities, and deadlines related to budget development and adoption |
| CAFR | Comprehensive Annual Financial Report |
| Capital Budget | Accounts for all financial resources used for the acquisition or construction of major capital facilities. |
| CIP | The Capital Improvements Program is a plan for capital outlay to be incurred each year over a fixed number of years to meet capital needs arising from the government's long-term needs. |
| Comprehensive Plan | Ten-year vision of the Portsmouth School Board for the Portsmouth School Division. Adopted in 2007, revised 2009 and 2011. |
| Debt Service | The cost of paying principal and interest on borrowed money according to a predetermined payment schedule |
| Disbursement | The expenditure of monies from an account |
| Encumbrances | Obligations in the form of purchase orders, contracts, or other commitments, which are chargeable to an appropriation and for which a part of the appropriation is reserved. |
| E-Rate | Schools and libraries universal service support mechanism for discount telecommunication services, and Internet access |
| Expenditure | An outlay or the creation of a liability for an asset or an expense item |
| Expense | Charges incurred (whether paid immediately or unpaid) for operations, maintenance, interest, or other charges |

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| Fiscal Year (FY) | A twelve-month period designated as the operating year for accounting and budgeting purposes in an organization. The fiscal year for Portsmouth Public Schools is July 1 through June 30. |
| Fiscally dependent school division | Fiscally dependent school districts are dependent on general government for financial support and do not have taxing authority. Portsmouth is a fiscally dependent school division. |
| Fund | A fiscal entity with revenues and expenses which are segregated for the purpose of carrying out a specific purpose or activity |
| Fund Balance | The excess of the assets of a fund over its liabilities, reserves, and carryover |
| General Fund | The general fund of the School Board is used to account for all financial resources except for those accounted for in another fund. |
| Grants | A contribution by a government or other organization to support a particular function. |
| ISAEP | Individual Student Alternative Education Plan |
| LCI | Local Composite Index - Factor used by the state of Virginia to distribute state education dollars (the lower the index, the higher state aid). The main variables used to calculate this index are property values, ADM, population, retail sales, and adjusted gross income. It is adjusted at the beginning of each biennium. |
| Modified Accrual Basis | Revenues are recognized when susceptible to accrual; i.e., when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means the funds are collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, if measurable. |
| No Child Left Behind Act | Federal legislation that enacts the theories of standards-based education reform. First enacted in 2002. Often abbreviated, NCLB |
| OPEB | Other Post-Employment Benefits |
| Revenue | Sources of income financing the operations of government |
| SFSF | State Fiscal Stabilization Funds from ARRA |
| SOL | Standards of Learning tests are the instruments for measuring student mastery of the Standards of Quality. |
| SOQ | Standards of Quality are state-mandated objectives for student achievement. |
| Taxes | Compulsory charges levied by a government for the purpose of financing services performed for the common benefit of the people. |
| VRS | Virginia Retirement System |

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